

Exhibit "V"



873201

A G R E E M E N T

THIS AGREEMENT, made and entered into as of the 18th day of January, 1980, by and between THE PORT OF PORTLAND, a municipal corporation of the state of Oregon, hereinafter referred to as "PORTLAND", and FARMERS UNION CENTRAL EXCHANGE, INCORPORATED, a Minnesota corporation, hereinafter referred to as "CENEX";

WITNESS THAT, in consideration of the mutual covenants herein contained the parties hereto agree as follows:

In consideration of the payment of \$239,198.75 by CENEX to PORTLAND, the receipt and sufficiency of which is hereby acknowledged, PORTLAND hereby agrees to release and discharge CENEX from any obligation, performance, or responsibility under that certain letter agreement dated August 17, 1976, between Pacific Supply Cooperative and THE PORT OF PORTLAND, which agreement became the obligation of CENEX under and pursuant to that certain purchase and sale agreement dated September 26, 1977, between CENEX and Pacific Supply Cooperative.

IN WITNESS WHEREOF, the parties hereto have executed this agreement effective the day and year first above written.

THE PORT OF PORTLAND

By

Morton Michelson
Its

Manager of Economic Development

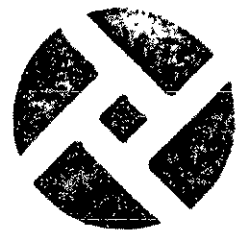
Approved as to Form

Betty J. Goff
Counsel

FARMERS UNION CENTRAL EXCHANGE,
INCORPORATED

By

W. H. Link
Its Vice President



August 17, 1976

Pacific Supply Cooperative
813 N.E. Davis Street
Portland, OR 97232

Port of Portland

Box 3529 Portland, Oregon 97208

503/233-8331

TWX: 910-464-6151

RIVERGATE PROPERTY

Pacific Supply Cooperative is hereby authorized to remove existing fill material to meet Rivergate Development needs from locations in the Rivergate Industrial District as designated on the attached map.

Pacific Supply agrees to the following conditions:

1. To remove and replace fill material not required for fill or surcharge purposes, at Pacific Supply Cooperative's expense. Excess material returned to Site "A" shall be deposited in layers of not more than 10 inches in depth and be compacted equal to the density of the surrounding undisturbed material.
2. To provide the Port with an accurate measurement of material not returned. Port accepts measurement by Pacific Supply accompanied by documentation.
3. Payment to Port for material not returned shall be \$1.20 per yard from Area "A" or \$.50 per yard for material not returned to Area "C." In the event the Port determines a surplus of material exists at Site "A", such surplus shall be charged at \$.50 per yard. Payment to the Port shall be on completion of the project or two years from date, whichever is sooner.
4. Removal and replacement of fill material shall be completed within two years from above date.
5. Pacific Supply Cooperative agrees fully to indemnify, save and hold harmless The Port of Portland, its Commissioners, officers, agents, or employees from and against all claims and actions and all expenses incidental to the investigation and defense thereof, based upon or arising out of damages or injuries to third persons or their property, caused by the fault or negligence in whole or in part of Lessee, its agents, officers or employees in the use or occupancy of the premises designated herein, provided that The Port of Portland shall give to Pacific Supply Cooperative prompt and reasonable

Pacific Supply Cooperative
Page Two
August 17, 1976

notice of any such claims or actions, and Pacific Supply Cooperative shall have the right to investigate, compromise, and defend same, and provided such claim is not the result of a negligent act of Lessor.

Curbs, railroads, streets or any area used by Pacific Supply Cooperative for transport of material or related activities shall be fully restored equal to the condition prior to use.

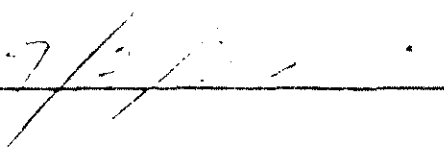
Evidence of public liability insurance of not less than \$500,000 shall be furnished to the Port prior to beginning of material removal.

This agreement shall be validated upon signature of authorized parties from Pacific Supply Cooperative and The Port of Portland.



Pacific Supply Cooperative

Date



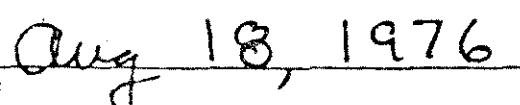
7/2/76

CS110H



The Port of Portland

Date



Aug 18, 1976

Exhibit "W"

ASSET PURCHASE AND SALE AGREEMENT

THIS AGREEMENT is made effective the 16th day of December, 1981, by and between CENEX AG, INC. , a Delaware corporation (hereinafter "CENEX", which is a wholly-owned subsidiary corporation of Farmers Union Central Exchange, Inc. [hereinafter "FUCE"]) and WESTERN FARMERS ASSOCIATION, a Washington agricultural cooperative (hereinafter "WFA").

RECITALS:

WFA desires to sell, transfer, assign and convey to CENEX, and CENEX desires to purchase, acquire and assume from WFA, a substantial portion of the remaining assets owned by WFA pursuant to the terms and conditions of this Agreement (exclusive of all obligations or liabilities related to such Assets or the business previously conducted with such assets by WFA unless expressly assumed pursuant to this Agreement).

NOW, THEREFORE in consideration of the foregoing and the mutual representations, warranties, covenants, assurances and agreements set forth in this Agreement, IT IS AGREED by and between the parties hereto as follows:

1. Agreements to Purchase and Acquire and to Sell and Transfer Assets. Subject to the terms and conditions of this Agreement, on the date specified in Paragraph 15 below (hereinafter the "Closing Date"), CENEX will purchase, acquire and assume from WFA and WFA will sell, transfer, assign and otherwise convey to CENEX effective as of the time specified in Paragraph 15 below (hereinafter the "Possession Time"), the following assets (hereinafter the "Assets") owned by WFA at the Possession Time which are generally identified below by category as shown in WFA's

Internal Financial Statements (including the Supplementary Schedules thereto) dated May 31, 1981 (a copy of which is attached hereto as Exhibit "A"):

(a) Accounts Receivable. All "customer accounts" and "member accounts" (as the quoted terms are used on the top half of page 7 of WFA's 5/31/81 Internal Financial Statements) which are owned by WFA at the Possession Time and are classified as "current" (as the quoted term is used on the top half of page 7 of WFA's 5/31/81 Internal Financial Statements); and those "other accounts" (as the quoted term is used on the top half of page 7 of WFA's 5/31/81 Internal Financial Statements) owned by WFA at the Possession Time which are listed in Exhibit "B" attached to this Agreement. All of the above-described accounts to be acquired by CENEX hereunder shall be hereinafter referred to as "Accounts Receivable".

(b) Inventories and Related Items. All "Marketing Inventories" of "Seed" and "Grain", all "Supply Inventories", all "Other inventories, which are principally marketing supplies", and all "Advance payments on purchases" of inventory prior to the Possession Time (as the quoted terms are used on page 8 of WFA's 5/31/81 Internal Financial Statements) owned by WFA at the Possession Time together with those purchase and sale contracts with third parties identified in Exhibit "C" attached to this Agreement (as modified in writing by WFA and CENEX prior to the Closing) covering the right to purchase or sell similar "marketing" and "supply" inventories in the future, and the title to all trademarks, trade names, logos, advertising materials and printed forms currently used in the promotion and sale of such "inventories" owned by WFA at the Possession Time, as well as the exclusive right to use the names "Western Farmers Association", "Western

Farmers" and "WFA" (but subject to the reservation by WFA of the right to continue to use the said names in the winding up of its affairs and also subject to the non-exclusive rights of other parties [previously granted by WFA] to use one or more of said names for specific purposes, all as described in Exhibit "D" attached hereto). All of the above-described inventories and related items to be acquired by CENEX hereunder shall be hereinafter referred to as "Inventories and Related Items".

(c) Prepaid Expenses and Deferred Charges. The "prepaid expenses and deferred charges" (as the quoted term is used on page 9 of WFA's 5/31/81 Internal Financial Statements) owned by WFA at the Possession Time which shall be listed by CENEX in Exhibit "E" to be attached hereto ten (10) days prior to the Closing. All such "prepaid expenses and deferred charges" to be acquired by CENEX hereunder shall be hereinafter referred to as "Prepaid Expenses and Deferred Charges".

(d) Investments in Other Cooperatives. The "investments in other cooperatives" (as the quoted term is used on page 9 of WFA's 5/31/81 Internal Financial Statements) owned by WFA at the Possession Time which are listed in Exhibit "F" attached hereto together with any patronage refunds related to such investments which may be issued subsequent to the Possession Time arising from patronage by WFA up to the Possession Time. All such "investments in other cooperatives" and earned but unissued patronage refunds to be acquired by CENEX hereunder shall be hereinafter referred to as "Investments in Other Cooperatives".

(e) Property, Plant and Equipment. All "property, plant and equipment" (as the quoted term is used on page 10 of WFA's 5/31/81 Internal Financial Statements) which were shown as being owned by WFA in WFA's 5/31/81 Internal Financial Statements and all similar additional or

replacement items which have been or will be acquired by WFA in the "ordinary course" of conducting its business (as the term "ordinary course" is defined in Paragraph 5(p) below) between 5/31/81 and the Possession Time, together with all other properties and rights located in or on or related to such assets which are necessary or convenient to the use and enjoyment of such assets, and together with all leasehold interests of WFA in personal property or real estate or rights of WFA under personal property or real estate contracts (including all related rights pertaining to the foregoing) all of which are described in Exhibit "G" attached hereto, EXCLUDING HOWEVER: (i) the WFA General Office Building located at 201 Elliott Avenue West, Seattle, Washington, and all related property and equipment located therein (exclusive of those items listed in Exhibit "G" attached hereto which shall be included in the items being acquired by CENEX hereunder notwithstanding their location in or relation to the said WFA General Office Building), (ii) WFA's retail store located at Ellensburg, Washington, and all related property and equipment located therein, and (iii) all items comprising "property, plant and equipment" which have been or will be disposed of by WFA in the ordinary course of conducting its business between 5/31/81 and the Possession Time. All such "property, plant and equipment" and personal property and real estate leasehold interests and rights under personal property or real estate contracts to be acquired by CENEX hereunder shall be hereinafter referred to as "Property, Plant and Equipment".

(f) Property Held For Sale. The "property held for sale" by WFA (as the quoted term is used on page 11 of WFA's 5/31/81 Internal Financial Statements) owned by WFA at the Possession Time which is listed in Exhibit "H" attached hereto. All such "property held for sale" to be purchased by

CENEX hereunder shall be hereinafter referred to as "Property Held For Sale".

WFA understands and agrees that CENEX is acquiring only assets (and the benefit of companion undertakings and agreements of WFA) as set forth in this Agreement. Unless expressly agreed in writing by CENEX, no obligations or liabilities of WFA to third parties of any nature or kind whatsoever are being assumed or undertaken by CENEX as a result of the transactions contemplated by this Agreement; and the acquisition price for the Assets to be computed as provided in Paragraph 2 below is based on the absence of any such assumptions or undertakings by CENEX.

2. Acquisition Price For Assets. The acquisition price for the Assets shall be as follows:

(a) Acquisition Price for Accounts Receivable. The acquisition price for the Accounts Receivable shall be the book value (before "Allowance for doubtful receivables") of each category of account comprising the Accounts Receivable as shown in the financial records of WFA as of the close of business on the day immediately preceding the Possession Time, except in the case of "customer accounts" and "member accounts" (as the quoted terms are used on page 7 of WFA's 5/31/81 Internal Financial Statements), where the acquisition price for those accounts shall be reduced as follows: (i) first, the sum of the following amounts shall be deducted from the aggregate face amount of the book value (before "Allowance for doubtful receivables") of the said "customer accounts" and "member accounts": (aa) 3% for those accounts which are 0-30 day aging; (bb) 15% for those accounts which are shown as "31-60" day aging; and (cc) 36% for those accounts which are shown as over 61 day aging; and (ii) then,

the sum of \$1,000,000 shall be deducted from the remaining aggregate face amount of the book value of said "customer accounts" and "member accounts" after the deductions therefrom of the amounts provided in clause (i) above.

(b) Acquisition Price for Inventories and Related Items. The acquisition price for Inventories and Related Items (exclusive of "Advance payments on purchases") shall be an amount equal to (i) the sum of (aa) the lower of cost (as shown in the financial records of WFA on a "first-in, first-out" basis as of the close of business of WFA on the day immediately preceding the Possession Time) or "market" on an item by item basis (f.o.b. its current location) of "Marketing Inventories [of] Seed" and all "Supply Inventories" (as the quoted terms are used on page 8 of WFA's 5/31/81 Internal Financial Statements), plus (bb) the "estimated net realizable value" of "Marketing Inventories [of] Grain" (as the quoted terms are used on page 8 of WFA's 5/31/81 Internal Financial Statements), plus (cc) the lower of "cost" or "net realizable value" of "Other inventories, which are principally marketing supplies" (as the quoted terms are used on page 8 of WFA's 5/31/81 Internal Financial Statements), LESS (ii) 15% of the total of the sum determined in clause (i) above. The acquisition price for "Advance payments on purchases" (as the quoted term is used on page 8 of WFA's 5/31/81 Internal Financial Statements) shall be the actual amount of all such advance payments in an aggregate amount of \$500,000 or less, plus the actual amounts of any such advance payments in an aggregate amount in excess of \$500,000 which have been approved in writing by CENEX prior to the Possession Time, plus 85% of any such advance payments (not approved in writing by CENEX) in an aggregate amount in excess of \$500,000.

(c) Acquisition Price for Prepaid Expenses and Deferred Charges. The acquisition price for Prepaid Expenses and Deferred Charges shall be

the book value thereof as shown in the financial records of WFA as of the close of business of WFA on the day immediately preceding the Possession Time.

(d) Acquisition Price for Investments in Other Cooperatives. The acquisition price for Investments in Other Cooperatives shall be the book value thereof (excluding therefrom any patronage refunds related to such investments which have been earned but not issued as of the Possession Time) as shown in the financial records of WFA as of the close of business of WFA on the day immediately preceding the Possession Time.

(e) Acquisition Price for Property, Plant and Equipment. The acquisition price for Property, Plant and Equipment shall be the sum of \$13,000,000.00, allocated among such assets as separately agreed in writing by WFA and CENEX.

(f) Acquisition Price for Property Held For Sale. The acquisition price for Property Held for Sale shall be the price which shall be agreed to in writing by CENEX and WFA prior to the Closing Date.

3. Determination of Acquisition Price. The acquisition price for the Assets shall be determined as of the close of business of WFA on the day immediately preceding the Possession Time from WFA's applicable financial and other records, which data shall be verified jointly by representatives of CENEX and WFA, and procedures will be applied to such financial and other records by the Seattle, Washington office of Coopers & Lybrand, Certified Public Accountants, at the sole expense of WFA, pursuant to the terms of engagement letters (hereinafter the "Engagement Letter(s)") dated November 10 & 11, 1981, copies of which are attached to this Agreement as Exhibits "I-1" and "I-2". Both WFA and CENEX shall cooperate fully with each other and with Coopers & Lybrand in the above mentioned

verification and in application of the above mentioned procedures so as to determine the total acquisition price as soon as practicable following the Possession Time, but in no event later than sixty (60) days following the Closing Date. The data included in the report to be issued by Coopers & Lybrand pursuant to the applicable Engagement Letter shall be used in determination of the total acquisition price and such data shall be final and conclusively binding on WFA and CENEX.

4. Payment of Acquisition Price; Collateral Security For Deferred Payments. The total acquisition price to be paid by CENEX to WFA for the Assets determined as provided in Paragraph 3 above shall be paid by wire transfer of funds or by other means acceptable to WFA as follows:

(a) Fixed Downpayment at Closing. At the Closing (as a fixed downpayment for application against the total acquisition price), CENEX shall pay to WFA the sum of \$9,750,000.00.

(b) Additional Downpayment. Within five (5) days following the Closing, subject to receipt by CENEX from Coopers & Lybrand (as part of its services under the applicable Engagement Letter) of a written estimate of the total acquisition price, CENEX shall pay to WFA for use (as additional downpayment for application against the total acquisition price), an amount equal to sixty percent (60%) of such total estimated acquisition price of all Assets, exclusive of Plant, Property and Equipment.

(c) Final Payment. Within five (5) days following the determination of the total acquisition price, as provided in Paragraph 3 above and subject to any deductions or additions as provided in Paragraph 9 below, CENEX shall pay to WFA the balance of the total acquisition price, together with interest on the unpaid balance thereof remaining from time to time between the Possession Time and the date such payment is made

(including accrued interest on the amount of the additional downpayment made pursuant to Paragraph 4(b) above from the Possession Time to the date said additional downpayment was made), computed at a rate equal to the short term rate charged by the Spokane Bank for Cooperatives (hereinafter the "SBC") to WFA for borrowed funds during the same period pursuant to the terms of the Loan Agreement between WFA and SBC dated December 11, 1979, as amended (a copy of which has been furnished to CENEX by WFA).

(d) Collateral Security For Deferred Payments. The unpaid balance of the acquisition price shall be collaterally secured by an irrevocable letter of credit issued in favor of WFA by the SBC (or some other financial institution acceptable to WFA) containing terms acceptable to WFA and CENEX.

5. General Representations, Warranties and Assurances by WFA.

In addition to the specific representations, warranties and assurances of WFA set forth elsewhere in this Agreement, as an inducement for CENEX to enter into this Agreement, WFA hereby makes the following general representations, warranties and assurances which shall survive the Closing:

(a) Corporate Status of WFA. WFA is an agricultural cooperative duly organized, validly existing and in good standing under the laws of the State of Washington. On December 10, 1979, WFA filed a voluntary petition for reorganization under Chapter 11 of the Bankruptcy Code of 1978 in the Western District of Washington under Case No. 79-02143 (hereinafter the "Bankruptcy Case"). Since December 10, 1979, WFA has operated its business pursuant to Section 1108 of the Bankruptcy Code of 1978; and all of WFA's interests in the Assets are subject to Bankruptcy Court jurisdiction in connection with the Bankruptcy Case. WFA has all requisite corporate power and authority to own its property and to carry on its business as and where

it is presently being conducted; and is duly qualified to conduct business in all states where the Assets are located if the nature of WFA's business requires qualification.

(b) Authority. The execution of this Agreement by WFA has been approved by its Board of Directors. No approval by WFA's Members is necessary for its execution and delivery. However, the transactions contemplated by this Agreement will be incorporated into a Plan of Reorganization and will be disclosed in a Disclosure Statement which will be the subject matter of statutory hearings before the United States Bankruptcy Court in the Bankruptcy Case. Consummation of the transactions contemplated by this Agreement are subject to the confirmation of such Plan of Reorganization or other approval by the said Bankruptcy Court. Upon confirmation of such a Plan or other approval by the Bankruptcy Court, the provisions of this Agreement will be valid and binding upon WFA in accordance with its terms.

(c) May 31, 1981, Audited Financial Statements and Absence of Certain Changes. The audited Financial Statements of WFA as of May 31, 1981, which have been delivered to CENEX by WFA, present fairly the results of operations and financial condition of WFA as of May 31, 1981, and said audited Financial Statements have been prepared in accordance with generally accepted accounting principles consistently applied in a manner consistent with prior audited statements. Since May 31, 1981, there have been no undisclosed material adverse changes in the nature of the business or in the condition of the Assets shown in the said audited Financial Statements, except as have arisen in the conduct of business by WFA in the "ordinary course" (as the term "ordinary course" is defined in Paragraph 5(p) below); and, except as disclosed in writing delivered to CENEX prior to the Closing Date, the Officers and Directors of WFA have no knowledge of

any other events which have occurred or which will occur (including, but not limited to, any proposed changes in contracts or commitments between WFA and any of its principal suppliers or customers) which would have a material adverse effect on the nature of the business or the Assets between May 31, 1981, and the Possession Time, save and except as have arisen in the conduct of business by WFA in the "ordinary course" (as the term "ordinary course" is defined in Paragraph 5(p) below).

(d) Title to Assets. At the Possession Time, WFA will have good and marketable title to all of the Assets free and clear from all defects, claims or liens or other encumbrances, save and except for (i) interests of lessors or contract vendors under the terms of the leases and contracts described in Exhibit "G" attached hereto, (ii) permitted liens, encumbrances and exceptions described in Exhibits "J" and "K" attached hereto, or (iii) unless otherwise provided in this Agreement.

(e) Owned Real Estate. The legal description of all real estate owned by WFA which is included as part of the Assets are set forth in Exhibit "K" attached hereto. All Assets covered by this Agreement constituting improvements to such real estate are wholly located within the boundaries of such real estate. WFA shall cause to be delivered to CENEX no later than forty-five (45) days following the effective date of the Agreement (unless a later date shall be agreed upon in writing by CENEX), at WFA's sole cost and expense, a Preliminary Title Insurance Report or Reports, issued by Pioneer National Title Insurance Company (hereinafter the "Title Company") committing it to issue an owner's policy or owner's policies of title insurance, at the sole cost and expense of WFA, insuring marketable title to such real estate in the name of CENEX in an amount equal to the amount of the acquisition price allocated to such real estate

as separately agreed in writing by WFA and CENEX pursuant to the provisions of Paragraph 2(e) above, free and clear of all liens and encumbrances, except only as provided in Paragraph 5(d) above; provided, however, the amount of such coverage shall not exceed the fair market value of any parcel of such real property. WFA further agrees that upon request of CENEX, WFA will request that the company or companies issuing such Preliminary Title Insurance Report or Reports to increase the coverage on such premises if requested by CENEX. CENEX agrees to pay the additional cost of any such increased coverage so requested. CENEX shall be allowed twelve (12) days after receipt of the aforesaid Preliminary Title Insurance Report(s) for examination of title from such Preliminary title Insurance Report(s) and the making of any objections thereto based on the items shown in the schedule of exceptions to coverage included as part of such Preliminary Title Insurance Report(s) which are not exceptions described in Paragraph 5(d) above, said objections to be made in writing or be deemed to have been waived. If any objections are so made to any parcel or parcels of real estate and are not removed by WFA prior to the Closing Date, CENEX shall have the option of (i) eliminating ab initio such parcel(s) from the Assets to be sold, transferred and conveyed to CENEX hereunder and reducing the total acquisition price by the amount of the acquisition price allocated to such parcel(s) as separately agreed in writing by WFA and CENEX pursuant to the provisions of Paragraph 2(e) above, or (ii) taking such parcel(s) subject to deduction from the total acquisition price of an amount to be mutually agreed upon between CENEX and WFA to cover the expenses of correcting such title defects, or (iii) electing to waive such defects and to take such parcel(s) subject to such defects. All real estate included as part of the assets to be sold, transferred and conveyed

to CENEX hereunder shall be conveyed by Deeds in form and substance satisfactory to counsel for CENEX, free and clear of all encumbrances or defects except as herein provided or as otherwise agreed by CENEX. WFA agrees to pay any taxes of any nature or kind whatsoever imposed on the transfer of such real estate to CENEX.

(f) Leased Real Estate and Personal Property. The legal description (if applicable), lease number and location of all real estate and personal property leased by WFA and included as part of the Assets to be sold, transferred, assigned and conveyed hereunder, together with the names and addresses of the parties to such lease agreements, are as set forth in Exhibit "G" attached hereto. True and correct copies of such leases have been delivered by WFA to CENEX. WFA agrees that prior to the Closing Date, and as a condition precedent thereto, WFA shall obtain the consent of the lessor where necessary to assign its interest in such lease agreements to CENEX. Assignments of such interests shall be by instruments acceptable to CENEX; WFA agrees to reimburse CENEX for any and all costs or expenses imposed on CENEX by the lessor in connection with such assignments. WFA agrees to pay (or to reimburse CENEX if CENEX shall be required by law to pay) all taxes, if any, of any nature or kind whatsoever imposed on the assignment of such real estate or personal property leases to CENEX.

(g) Tangible Personal Property. WFA owns all tangible personal property included as part of the Assets to be sold, transferred and conveyed hereunder, free and clear of all liens and encumbrances, except as disclosed in Exhibit "L" attached hereto. At the Possession Time, all Property, Plant and Equipment shall be transferred to CENEX "AS IS, WHERE IS" in the same condition as when it was last inspected by CENEX on or

before October 1, 1981, ordinary wear and tear excepted. All such tangible personal property owned by WFA shall be sold, transferred and conveyed to CENEX by standard instruments of transfer approved by counsel for CENEX. WFA agrees to pay all taxes, if any, of any nature or kind whatsoever imposed on the transfer of such personal property to CENEX, including but not limited to all taxes, if any, assessed against buyers of tangible personal property not purchased for resale to others which may be imposed upon the transfer of such tangible personal property to CENEX.

(h) Status of Accounts Receivable. At the Possession Time, all Accounts Receivable to be assigned to CENEX under this Agreement and disclosed in the procedures to be applied as provided in Paragraph 3 hereof (i) shall be bona fide obligations of the debtors in question and in the amounts disclosed on the books and records of WFA as of said date; (ii) shall have arisen in the ordinary course of conducting business by WFA; and (iii) shall be subject to no known set-offs, counterclaims, refunds or credits whatsoever.

(i) Compliance with Contracts, Covenants, Ordinances, Regulations and the Like in the Use and Ownership of Assets. The use and ownership of the Assets to be sold, transferred, assigned or conveyed to CENEX hereunder do not violate any restrictive covenant, patent, copyright, trademark or tradename, trade secret or any similar statutory or contractual protective provision, or any provision of any Federal, State or local law or ordinance or regulation (including zoning regulations), except in such minor or immaterial respect as do not affect the marketability of such property and do not interfere with or prevent the present and continued use of same by CENEX for the purposes for which they are now being used by WFA, except as set forth in Exhibit "D" attached hereto.

(j) No Pending Litigation, Claims or Actions, Proceedings or Investigations. Save and except for the actions, proceedings or investigations listed in Exhibit "M" attached hereto, there is no action, proceeding or investigation by an administrative or regulatory body or any other person which has been commenced or is pending or threatened against WFA which, as of the Possession Time, would prevent the transfer of any of the Assets covered by this Agreement.

(k) Status of Contracts with Third Parties. At the Possession Time, all supply contracts with third parties listed in Exhibit "C" attached hereto (i) shall be transferable to CENEX without the consents of such third parties (or WFA shall have obtained such consents) and (ii) shall be free from all claims by such third parties arising from events which occurred prior to the Possession Time attributable to WFA directly or indirectly.

(l) Status of Prepaid Expenses and Deferred Charges. At the Possession Time, all Prepaid Expenses and Deferred Charges listed in Exhibit "E" attached hereto (i) shall be transferable to CENEX without the consents of the parties from whom the credit represented by them is due (or WFA shall have obtained such consents) for the full face amount shown in the financial records of WFA, and (ii) shall be free from all claims by the parties from whom the credits represented by them are due, or any assigns of (or successors in interest to) such parties, arising from events which occurred prior to the Possession Time attributable to WFA directly or indirectly.

(m) Status of Investments in Cooperative Associations. At the Possession Time, the Investments in Cooperative Associations listed in Exhibit "F" attached hereto (i) shall be validly issued and outstanding in

the name of WFA in the face amount shown in the audit of financial records of WFA to be conducted pursuant to the provisions of Paragraph 3 above; (ii) shall be transferable to CENEX without the consents of the issuers (or WFA shall have obtained such consents); and (iii) shall be free from all claims of set-off or deduction by the issuers thereof arising from events which occurred prior to the Possession Time attributable to WFA directly or indirectly.

(n) Status of Insurance Coverage. WFA has maintained insurance (with claims covered on an "occurrence" basis) as described in Exhibit "N" attached hereto during the past three (3) years covering the Assets and the conduct of its business operations with the Assets. Up to the Possession Time, all such insurance coverage shall be in full force and effect; and subsequent to the Possession time, WFA agrees to name CENEX as an additional insured on such policies with respect to claims which are based upon occurrences prior to the Possession Time.

(o) Status of Collective Bargaining Agreements and Other Employment Agreements, Personnel Benefit Plans, and Other Related Agreements. WFA has furnished to CENEX true and correct copies of all Collective Bargaining Agreements presently in effect between WFA and labor organizations representing its employees, as well as true and correct copies of all other employment agreements, and benefit plans (including but not limited to copies of retirement plans for salaried and hourly-paid employees whether or not covered by Collective Bargaining Agreements with WFA). WFA is in compliance with all such agreements and plans with or affecting its employees. There are no charges or complaints pending against WFA with any Federal, state or other governmental agency arising out of its employment relationship with its employees, or the termination

of that relationship, or any organization representing or claiming to represent WFA employees; and there are no grievances arising out of WFA's Collective Bargaining Agreements which are unresolved or scheduled for arbitration, and there are no outstanding arbitration decisions.

(p) Best Efforts to Maintain Assets and Operations of WFA.

Between the effective date of this Agreement and Possession Time, unless otherwise agreed in writing by WFA and CENEX, WFA shall exert its best efforts to maintain the Assets and to conduct the business operations of WFA in the "ordinary course," consistent with prudent business practices, including purchasing of inventory and pricing and marketing practices (exclusive of commitments for sales and purchases of inventory scheduled to be delivered, received, or otherwise completed after March 1, 1982, which commitments shall require the prior written approval of CENEX), and WFA will not dispose of any items constituting the Property, Plant and Equipment to be acquired by CENEX hereunder. As hereinbefore and hereinafter used in this Agreement with respect to the conduct of business by WFA, the term "ordinary course" means (exclusive of commitments for sales or purchases of inventory scheduled to be delivered, received, or otherwise completed after March 1, 1982, which commitments shall be handled as separately provided above) the conduct of business by WFA with the Assets covered by this Agreement in a manner similar (to the extent possible considering present marketing conditions and economic factors) to the manner in which WFA has conducted its business during the eighteen (18) months immediately preceding the effective date of this Agreement.

(q) Bulk Transfer Compliance. WFA agrees to furnish CENEX with all necessary data and to take all actions reasonably requested by CENEX, to permit compliance, as necessary, with applicable laws pertaining to the

transfer in bulk of the Assets by WFA out of the ordinary course of its business as contemplated by the provisions of this Agreement.

6. General Representations, Warranties and Assurances by CENEX.

In addition to the specific Representations, Warranties and Assurances of CENEX set forth elsewhere in this Agreement, as an inducement for WFA to enter into this Agreement, CENEX hereby makes the following General representations, warranties and assurances which shall survive the Closing:

(a) Corporate Status of CENEX. CENEX is a corporation duly organized, validly existing and in good standing under the laws of the State of Delaware; has all requisite corporate power and authority to own property and carry on its business as and where it is presently being conducted; and is duly qualified to conduct business in all states where the nature of its business requires qualification. All of the issued and outstanding capital shares of CENEX are beneficially owned of record by FUCE.

(b) Authority. The execution of this Agreement by CENEX has been approved by its Board of Directors. No approval of the Shareholders of CENEX is necessary for such execution and delivery. Neither the execution nor the delivery of this Agreement by CENEX, nor the performance of the transactions contemplated hereby, will result in the breach of any term or provision of, or constitute a default under, any indenture, mortgage, deed of trust or other agreement to which CENEX is a party; and such execution, delivery and performance will not violate the Articles of Incorporation or Bylaws of CENEX. Upon execution of this Agreement by CENEX, the provisions of this Agreement will be valid and binding upon CENEX in accordance with its terms.

(c) Designated Employee Retention Program. Except as otherwise provided in Paragraph 9 below, CENEX understands that prior to the Possession Time WFA shall terminate the employment of all employees of WFA who are covered by collective bargaining agreements and that WFA also proposes to terminate the employment of substantially all other employees of WFA. Following such terminations by WFA, CENEX or FUCE (or another subsidiary of FUCE or another cooperative affiliated with FUCE) shall offer employment to certain former employees of WFA, effective as of the Possession Time, under the terms of a certain "Employee Retention Program" described in Exhibit "O" attached to this Agreement and hereby incorporated herein by reference.

(d) Authority of CENEX to Conduct Business with the Assets. CENEX shall obtain, at its own cost and expense, all necessary bonds, licenses, certifications or similar authorizations necessary to permit CENEX to use the Assets subsequent to the Possession Time to conduct business in a manner similar to the manner in which WFA conducted its business prior to the Possession time, including but not limited to satisfying all deposit obligations relating to grain stored for third parties in facilities constituting part of the Assets.

(e) Assumption by CENEX of Certain Obligations of WFA. Subject to the fulfillment by WFA of its obligation to obtain necessary consents to assignment, CENEX agrees to assume all obligations of WFA subsequent to the Possession Time under the terms of rights, contracts, leases or other agreements described in Exhibits "C" and "G" which are assigned to CENEX under the provisions of this Agreement.

7. Brokerage and Other Service Fees. WFA and CENEX represent to each other that all negotiations relative to this Agreement and the

transactions contemplated hereby have been carried out directly by them with each other, without the intervention of any broker, finder or other party, and that neither party has engaged, consented to or authorized any broker, investment banker or other third party to act on their behalf, directly or indirectly, as a broker or finder in connection with the transactions contemplated by this Agreement. CENEX and WFA agree to save harmless, defend and indemnify each other from any claim asserted by or on behalf of any such broker, finder or other party. In addition, each party agrees to pay all fees for services - legal, accounting or otherwise - incurred by such party in connection with the transactions covered by this Agreement.

8. Payment of Taxes, Fees and Charges Arising From Transactions Contemplated by This Agreement. Current real property taxes, personal property taxes, leasehold taxes, assessments, rents and utility costs shall be prorated as of the Possession Time. If the levy rate for any real or personal property tax is unknown as of the Possession Time, WFA and CENEX agree to use the most recent levy rate in existence by the taxing authority. WFA agrees to use its best efforts to cause utility companies serving the premises constituting any of the Assets to bill WFA for services from such utility companies prior to the Possession Time and to bill CENEX (or its designee) for such services subsequent to the Possession Time. Any utility bills not handled as above provided which constitute charges for utilities used before and after the Possession Time shall be prorated based on the assumption that utility services were used at a constant rate throughout the billing period. WFA shall cooperate with CENEX to determine promptly the amounts of any such taxes, assessments, rents and utility costs. Within five days following a determination of

such proration, CENEX or WFA, as applicable, shall pay to the other its prorata share of all such taxes, assessments, rents and utility costs. To the extent the parties utilize the services of a title company in closing this transaction, each party shall pay one-half (1/2) of such costs or fees, exclusive of title insurance premiums which shall be paid by WFA.

9. Handling of WFA's Employment Agreements, Personnel Benefit Plans and Other Related Agreements. CENEX will review the Collective Bargaining Agreements and all other employment arrangements of every nature or kind whatsoever, whether oral or written, between WFA and persons who perform services for WFA (hereinafter collectively referred to as the "Employment Agreements") as well as all pension, retirement and other benefit plans pertaining to persons employed by WFA which have been furnished by WFA to CENEX pursuant to Paragraph 5(o) hereof. Upon completion of the review by CENEX of the said Employment Agreements and benefit plans, CENEX and WFA agree that the following procedures shall be followed with respect to employment arrangements with employees of WFA:

(a) Review by CENEX of Employment Agreements; Option of "Successor Employers" to Assume Specified Employment Agreements. Save and except for employees of WFA covered by the "Employee Retention Program" described in Exhibit "O" attached hereto (as to whom the provisions of Paragraph 6(c) above shall apply), CENEX will notify WFA in writing (at least forty days prior to the Closing Date) which, if any, of the Employment Agreements and benefit plans (other than pension and retirement plans) will be assumed by CENEX or FUCE or another subsidiary of FUCE (hereinafter the "New Employer(s)"), whether or not such entities choose to assume or not to assume any such Employment Agreements and benefit plans, or choose to offer or not to offer employment separately following the

Possession Time to any individuals employed by WFA prior to the Possession Time who were covered by any such Employment Agreements and benefit plans. Prior to the Possession Time, WFA agrees to terminate the employment status of all WFA employees covered by Collective Bargaining Agreements. As to employees not covered by Collective Bargaining Agreements, WFA agrees to be solely responsible for all obligations and liabilities under Employment Agreements and other said benefit plans covering such employees. WFA further agrees to notify the labor organizations who are parties to Employment Agreements and benefit plans covering employees covered by Collective Bargaining Agreements that no New Employer has agreed to assume or otherwise succeed to the interests of WFA in such Employment Agreements and benefit plans or any terms or conditions provided therein. WFA warrants that such notices to said labor organizations shall be received by such labor organizations prior to Closing Date. WFA also agrees that it will hold all New Employers harmless from any damages any of them may suffer by reason of WFA's failure to comply with the provisions of the preceding sentence. In addition, prior to the Closing Date, WFA agrees to notify all terminated employees, on behalf of CENEX and the other New Employers designated by CENEX that CENEX and such other designated New Employers will accept applications for employment from such terminated employees in the event it is determined that there is a need for their services. Except as provided hereinafter in this Paragraph 9(a) to the contrary, with regard to all such Employment Agreements and other said benefit plans which are not assumed, WFA agrees that no New Employer shall in any way be liable or responsible under the terms of such terminated Employment Agreements and benefit plans (other than pension and retirement plans) as a successor company or otherwise on account of any action or

inaction by WFA other than any actions taken by WFA at the specific written direction of CENEX.

(b) Handling of Pension and Retirement Plans (Exclusive of "Multiemployer Plans"). CENEX and WFA agree as follows concerning the handling of all pension and retirement plans (exclusive of "Multiemployer Plans") covering employees of WFA as of the day immediately preceding the Possession Time:

(i) Assumption of Sponsorship of all Non-Multiemployer Plans. With respect to the pension and retirement plans (hereinafter the "Plans") maintained by WFA, other than "multiemployer plans" (as defined by the Multiemployer Pension Plan Amendments Act of 1980, which are hereinafter in this Paragraph 9 referred to as the "Multiemployer Plans"), as of the Possession Time either CENEX or another New Employer shall assume sponsorship of the Plans. WFA, at WFA's sole cost and expense, shall cause to be prepared by WFA's Actuaries, Milliman & Robertson, Inc. an actuarial report as to each of the Plans as of December 31, 1981, and as of the Possession Time with the reports as of the Possession Time to contain individual benefit calculations. In the event the actuarial reports as of December 31, 1981, are not received within sixty days after the Closing Date, CENEX may hold back an amount (as hereinafter determined) from the total acquisition price until said actuarial reports are received and approved by CENEX. Interest on said amount shall be paid as specified in Paragraph 4(c) and the amount shall be secured as specified in Paragraph 4(d). The amount to be withheld shall be nine hundred fifty thousand dollars (\$950,000).

(ii) Representations and Warranties by WFA Regarding the Plans. WFA represents and warrants that at the Closing Date the Plans

will be qualified under Section 401(a) of the U.S. Internal Revenue Code (hereinafter the "Code") and that the media being used to fund the Plans will be exempt from taxation under the Code. WFA further represents and warrants that WFA has timely filed [and on or after the Closing Date will file within such time periods required by the Code and the Employee Retirement Income Security Act of 1974 as amended (hereinafter "ERISA") and regulations thereunder] all reports and disclosures to such state and/or federal agencies and participants in the Plans as may be required by state or federal law and under current regulations and that WFA is not liable for any taxes (including any insurance premiums due the Pension Benefit Guaranty Corporation, hereinafter in this Paragraph 9 the "PBGC") or penalties by reason of having failed to make or file all such reports and disclosures.

(iii) Handling of Shortfall or Surplus With Respect to Funding Requirements. (aa) CENEX understands that WFA has requested waivers of its funding requirements under the Code and ERISA for plan years ending December 31, 1979 and December 31, 1980, and that WFA probably will request waivers of funding requirements for the plan year ending December 31, 1981. CENEX further understands that WFA has received a waiver of funding requirements for the plan years ending December 31, 1979 and December 31, 1980 for both of the Plans. WFA warrants that said waivers contain no contingencies.

(bb) WFA shall, at its sole expense, apply to the U.S. Internal Revenue Service (hereinafter "IRS") for changes in the actuarial methods acceptable to CENEX to reflect suspended plans (rather than ongoing plans) for both Plans for the plan year ending December 31, 1981. CENEX shall

assume any liabilities for further contributions to the Plans and shall be entitled to any assets remaining after all benefits (as hereinafter described) are paid. CENEX further agrees that all employees described in paragraph (B) shall receive benefits in the amount described in paragraph (B).

(A) For the purpose of determining the value of assets of the combined Plans and the amount of the liabilities of the combined Plans (so as to determine any deficiency or surplus in assets of the combined Plans) the following methods and assumptions shall be used: The Plans' liabilities, shall be determined on a plan termination basis, as of December 31, 1981. Unless otherwise agreed to by WFA's actuaries (Milliman & Robertson) and CENEX's actuaries (Towers, Perrin, Foster & Crosby) the liabilities shall be determined using the unit credit cost method. The mortality assumption shall be according to the 1971 Group Annuity Table for males and females. The interest assumption shall be at the rate of 10½% per annum compounded annually. There shall be no discount for terminations of employment before normal retirement date. The value of all assets at December 31, 1981 [including any accrued interest, dividends and investment experience for 1981 and including any contributions WFA may make to the Plans as provided by this paragraph (iii)] shall be determined on a fair market value basis pursuant to information provided by the Equitable Life Assurance Society in accordance with its established procedures. WFA agrees to make every effort to expedite receipt of said IRS approval of changes in actuarial methods as described in the preceding paragraph and shall keep CENEX's said actuaries fully informed of all communications with the IRS in this regard.

(B) The "benefits" referred to in this paragraph shall be those payable to all employees of WFA who are participating in the Plans as of the Possession Time (including all who are vested terminated participants, retirees and beneficiaries of former participants who are receiving benefits at said date). The amount of said benefits shall be at least equal to the benefits to which each such employee would be entitled if the Plans were terminated at the Possession Time and if all benefits vested at said date and there were sufficient assets funding said Plans to meet all of the previously described benefits.

(C) WFA agrees that CENEX may deduct as an offset against the acquisition price to be paid pursuant to Paragraph 4(c) of this Agreement any amount which is determined to be a deficiency in assets of the combined Plans as compared to the liabilities of the combined Plans as calculated in accordance with (A) above.

(cc) If WFA's application [referred to in paragraph (bb)] to the IRS is not approved before the Closing Date (unless CENEX waives in writing the failure to receive such approval by the Closing Date), then

(A) For plan years ending December 31, 1981, CENEX will make such contributions to the Plans, if any, as WFA's and CENEX' actuaries may agree is necessary to bring each of the Plans into a nondeficiency status under applicable Code and ERISA provisions for the plan years ending December 31, 1981.

(B) WFA agrees that CENEX may deduct as an offset against the acquisition price to be paid pursuant to Paragraph 4(c) of this Agreement any amount which is determined to be a deficiency in assets of the combined Plans as compared to the liabilities of the combined Plans as calculated in accordance with paragraph (bb)(A).

(C) If the approval of the application [referred to in Paragraph (bb)] to the IRS for approval of the changes in actuarial methods and assumptions is not received by the Closing Date, and there are indications from the IRS that the reason the approval has not been received within said period is that the IRS is not satisfied with one or more of the changes made, then WFA shall assist CENEX in seeking approval of an alternate method of determining such actuarial methods and assumptions which alternate is acceptable to CENEX' said actuaries.

(D) CENEX agrees that if the provisions of this paragraph (cc) are applicable it will pay the benefits described in paragraph (bb)(B) to the persons described in said paragraph.

(dd) CENEX further agrees that whether the provisions of paragraph (bb) or (cc) are applicable, if as of December 31, 1981 under either of the Plans there is an excess of plan assets over plan liabilities as determined by use of the calculation described in paragraph (bb)(A), then the amount of such surplus shall be added by CENEX as an increase to the price paid pursuant to Paragraph 4(c) of this Agreement.

(iv) Corporate Action by WFA to Amend Plans. WFA warrants that by the Closing Date it will have taken all corporate action necessary to amend the Plans so that as of the Closing Date (aa) no employees of WFA will become eligible to participate in the Plans; (bb) no employee of WFA will accrue credit either for purposes of determining the employee's vested right to a benefit under the Plans, or for purposes of determining the amount of the employee's benefit under the Plans; and (cc) one or more New Employers will be sponsors of the Plans; and (dd) all Plan participants regardless of service, shall be vested in their accrued benefit by reason of any Plan's suspension as of the day before the Possession Time.

(v) Filing by WFA of Applications with the IRS and Notices with the PBGC. WFA warrants that on or before the Closing Date (or as soon thereafter as practicable) in connection with the amendments required next above under subparagraph (iv) of this Paragraph 9(b) and the agreement of a New Employer to assume sponsorship of the Plans, WFA will have (aa) filed applications with the IRS for determination letters to the effect that the Plans, as amended and assumed by a New Employer, continue to be qualified under Section 401(a) of the Code and that, in due course, the IRS will issue such letters; and (bb) filed with the PBGC such notices as may be required under Section 4043 of ERISA and PBGC Regulation Section 2617.

(vi) Recognition by New Employers of Vesting Service. CENEX agrees to recognize (and agrees to cause all other New Employers to recognize) "a year of service for vesting" (as defined in the Plans) as vesting service under the Pension and Thrift Plans of the New Employers with respect to those former employees of WFA hired by the New Employers who become eligible to participate under the said Pension and Thrift Plans of the New Employers in accordance with the terms and provisions of such Pension and Thrift Plans. Except as heretofore specified in this subparagraph (vi), no such former employee shall be credited with any period of employment such employee had with WFA under said Pension and Thrift Plans.

(c) Handling of Multiemployer Plans. Where WFA is a participating employer under certain Multiemployer Plans, no New Employer or other affiliated cooperatives of FUCE shall by this Agreement assume any obligations to become a successor participating employer or to make contributions under said Multiemployer Plans, nor shall any New Employer or

other affiliated cooperatives of FUCE by this agreement assume any obligations, either primary or secondary, for any withdrawal liabilities which may be imposed now or in the future, or for any claims of any sort existing or arising against WFA as a result of its participation under said Multiemployer Plans. WFA hereby agrees to defend, same harmless and otherwise indemnify all New Employers and other affiliated cooperatives of FUCE against any withdrawal liability which any New Employer or other affiliated cooperatives of FUCE may incur with respect to said Multiemployer Plans, in the event that withdrawal liability is imposed under the Multiemployer Pension Plan Amendments Act of 1980 on account of (i) the sale of the Assets of WFA contemplated hereunder to CENEX, or (ii) the termination of employment with WFA by participants under said Multiemployer Plans as of the Possession Time, or (iii) the hiring by any New Employers or by other affiliated cooperatives of FUCE of some or all of said participants, provided that this clause (iii) shall not apply if any of said employers are determined to be a successor employer under said Act.

10. Covenant not to Compete. In consideration of payment by CENEX of the acquisition price for Inventories and Related Items as provided in Paragraph 2(b) of this Agreement, as well as the other undertakings of CENEX set forth elsewhere in this Agreement, WFA agrees that for a period of three (3) years following the Possession Time, WFA shall not compete with CENEX directly or indirectly in the sale of products similar to the "marketing inventories" or "supply inventories" acquired by CENEX pursuant to the provisions of this agreement as part of the Assets.

11. Hart-Scott-Rodino Premerger Notice. CENEX and WFA at their own cost and expense agree to take all steps necessary to prepare or cause to be prepared and furnish to the Antitrust Division of the Department of

Justice and to the Federal Trade Commission all information required to be furnished as to each of them pursuant to the requirements of the Hart-Scott-Rodino Antitrust Improvements Act of 1976 in regard to the transactions contemplated by this Agreement as soon as practicable after the effective date hereof.

12. Continued Access to Information and Continued Effectiveness of Secrecy Agreement. Subsequent to the effective date of this Agreement, WFA shall continue to give representatives of CENEX complete access during normal business hours to examine properties, books, contracts, commitments and other records pertaining to the Assets to be sold, transferred, assigned and conveyed hereunder; and CENEX agrees to furnish to representatives of WFA similar information reasonably requested by WFA pertaining to the sale, transfer, assignment and conveyance of such Assets. All such information so furnished shall be subject to the "Secrecy Letter Agreement" entered into between FUCE and WFA on April 29, 1981, the provisions of which are hereby adopted by CENEX as though CENEX had been a signatory to the said Secrecy Letter Agreement; and the provisions of the said Secrecy Letter Agreement shall survive the Closing hereunder.

13. Conditions Precedent to the Obligations of WFA. All obligations of WFA under this Agreement are subject to the fulfillment prior to or at the Closing Date of each of the following conditions:

(a) Material Discrepancies or Breaches. WFA shall not have discovered any material error, misstatement or omission in the representations and warranties made by CENEX in this Agreement or any material breach in the undertakings and agreements by CENEX as set forth in this Agreement.

(b) Continuing Warranties. The representations and warranties by CENEX contained in this Agreement or in any written statement or exhibit

attached to this Agreement or delivered separately by CENEX to WFA in conjunction with this Agreement shall be deemed to have been made at and as of the Closing Date and shall be true in all material respects.

(c) Performance of Conditions. CENEX shall have performed and complied with all agreements and conditions required by this Agreement to be performed by and complied with by CENEX on or before the Closing Date.

(d) Approval of Transactions by Bankruptcy Court. The Plan of Reorganization and Disclosure Statement incorporating the transactions contemplated by this Agreement, which are submitted to statutory hearings in the Bankruptcy Case shall be confirmed or otherwise approved by the said Bankruptcy Court.

(e) Redemption of WFA's Stock in CF Industries, Inc. and Resolution of Claims by CF Industries, Inc. under WFA's Member Product Purchase Agreement with CF Industries, Inc. The Agreement of CF Industries, Inc. to redeem the stock of CF Industries, Inc. held by WFA; and the resolution of all claims asserted by CF Industries, Inc. against WFA under the terms of the Member Product Purchase Agreement between WFA and CF Industries, Inc. (in both cases in a manner satisfactory to WFA).

14. Conditions Precedent to the Obligations of CENEX. All obligations of CENEX under this Agreement are subject to the fulfillment prior to or at the Closing Date of each of the following conditions:

(a) Material Discrepancies or Breaches. CENEX shall not have discovered any material error, misstatement or omission in the representations and warranties made by WFA or any material breach in the undertakings and agreements by WFA as set forth in this Agreement.

(b) Continuing Warranties. All representations and warranties by WFA which are contained in this Agreement or in any written statement or

exhibit attached to this Agreement or delivered separately by WFA to CENEX in conjunction with this Agreement shall be deemed to have been made at and as of the Closing Date and shall be true in all material respects.

(c) Performance of Conditions. WFA shall have performed and complied with all agreements and conditions required by this Agreement to be performed by and complied with by WFA on or before the Closing Date.

(d) Approval of Lenders, Loan Commitment and Letter of Credit Commitment. Within thirty (30) days of the effective date of this Agreement, CENEX shall have obtained the approval of the transactions contemplated by this Agreement from the long-term lenders of FUCE and CENEX and shall have obtained the commitment from the Spokane Bank for Cooperatives or from other lender(s) of CENEX to loan to CENEX sufficient funds to consummate the transactions contemplated by this Agreement and to issue the irrevocable letter of credit (as contemplated by Paragraph 4(d) above) pursuant to terms in both instances acceptable to CENEX. Promptly upon receipt of such approvals and commitments, CENEX agrees to furnish WFA with reasonable evidence of same.

(e) No Adverse Change in the Business of WFA or in the Assets. No material adverse changes shall have occurred in the business conducted by WFA or in the Assets between the effective date of this Agreement and the Closing Date, except as have occurred in the conduct of business by WFA in the "ordinary course" (as the term "ordinary course" is defined in Paragraph 5(p) above).

15. Closing Date and Possession Date. Unless the Closing Date is changed as provided below, the closing (the "Closing") shall take place at 10:00 a.m., P.S.T., on February 26, 1982 (the "Closing Date") at the offices of WFA in Seattle, Washington, or at such other hour or place as

the parties may agree; and the possession of the Assets shall be deemed to take place at 12:01 a.m., P.S.T., on March 1, 1982 (the "Possession Time"). WFA and CENEX agree that the Closing Date and the place and time of the Closing, as well as the Possession Time set forth above may be changed by the mutual agreement between the parties, but in no event shall the Closing Date be later than May 31, 1982; and in the event that the Closing does not take place by May 31, 1982, then, unless agreed otherwise in writing by CENEX and WFA, the provisions of this Agreement automatically shall be terminated and WFA and CENEX thereupon shall be released from all liability to consummate the transactions contemplated by this Agreement. At the Closing, the following documents and considerations shall be exchanged by the parties:

(a) Deliveries by WFA at the Closing. At the Closing, WFA shall deliver the following instruments of transfer to CENEX in exchange for the simultaneous delivery by CENEX of the considerations described in Paragraph 15(b) below:

(i) General Instruments of Transfer, Assignment and Sale transferring, assigning and conveying the Accounts Receivable, the Inventories and Related Items, the Prepaid Expenses and Deferred Charges, all Investments in Other Cooperatives not evidenced by stock certificates, all tangible and intangible property included as part of Property, Plant and Equipment or included as part of Property Held For Sale.

(ii) Deeds transferring and conveying the improved real estate included as part of the Property, Plant and Equipment.

(iii) Certified Copies of Documents of Authority authorizing the entry into this Agreement by WFA and the consummation of the transactions contemplated by this Agreement.

(iv) Opinion of WFA's Counsel dated as of the Closing Date to the effect that WFA is a Washington agricultural cooperative, duly organized, validly existing and in good standing; that WFA is a Debtor in Possession in a Chapter 11 case and since December 10, 1979, has operated its business pursuant to the Bankruptcy Code of 1978; that all interests of WFA in the Assets are subject to Bankruptcy Court jurisdiction in connection with the Bankruptcy Case; that WFA has all requisite corporate power and authority to own property and to carry on its business as and where it is presently being conducted, and is duly qualified to conduct business in all states where the Assets are located if the nature of WFA's business in such states requires qualification; that all corporate action of WFA required to authorize the execution and delivery of this Agreement and to enable WFA to consummate the transactions contemplated by this Agreement have been taken in accordance with applicable law; that the transactions contemplated by this Agreement do not require compliance with applicable laws pertaining to the transfer in bulk of the Assets by WFA out of the ordinary course of its business if data necessary to comply with any such laws is not furnished by WFA to CENEX under the terms of Paragraph 5(q) of this Agreement; and that this Agreement and the documents of sale, transfer, assignment and conveyance to be delivered by WFA to CENEX at the Closing have been duly executed and are valid and binding on WFA, enforceable in accordance with their terms for the benefit of CENEX. In rendering its opinion WFA's counsel may rely upon representations by officers of WFA and on documents pertinent to counsel's opinion furnished by WFA.

(v) Other Documents as may be required to consummate the transactions contemplated by this Agreement.

(b) Deliveries by CENEX at the Closing. At the Closing, CENEX shall deliver to WFA the following considerations against simultaneous delivery of the documents and instruments by WFA to CENEX as set forth in Paragraph 15(a) above:

(i) Initial Down Payment against Acquisition Price for the Assets as required in Paragraph 4 hereof by wire transfer of funds or by other means acceptable to WFA.

(ii) Irrevocable Letter of Credit for the estimated unpaid balance of the acquisition price as required in Paragraph 4 hereof.

(iii) Assumption Agreements assuming the obligations of WFA under the terms of the contracts, rights, leases and other agreements described in Exhibits "C" and "G" attached hereto.

(iv) Opinion of Counsel for CENEX dated as of the Closing Date, to the effect that CENEX is a subsidiary corporation of FUCE duly organized and validly existing in good standing under the laws of the State of Delaware and that all of the outstanding stock of CENEX is beneficially owned of record by FUCE; that all corporate action required by CENEX to authorize the execution and delivery of this Agreement and to enable CENEX to consummate the transactions contemplated by this Agreement have been taken; that no agreement, indenture, mortgage or loan to which CENEX is a party will be violated by the transactions contemplated by this Agreement; and that this agreement has been duly executed and is valid and binding upon CENEX in accordance with its terms. In rendering its opinion counsel for CENEX may rely upon representations by officers of CENEX and on documents pertinent to counsel's opinion furnished by CENEX.

(v) Other Documents as may be required to consummate the transactions contemplated by this Agreement.

Title to and risk of loss or destruction or damage of any of the Assets sold, transferred, assigned and conveyed hereunder shall pass to CENEX as of the Possession Time.

16. Additional Instruments and Further Assurances. WFA agrees from time to time, upon request of CENEX, to execute and deliver to CENEX such other instruments of sale, transfer, assignment and conveyance and to take such other action as CENEX may reasonably request more effectively to vest ownership in CENEX and to put CENEX in possession of all the Assets sold, transferred, assigned and conveyed hereunder. CENEX agrees, from time to time, to execute and deliver to WFA such additional instruments and to take such additional action as WFA may reasonably request to evidence the assumptions, covenants and agreements of CENEX under this Agreement.

17. Termination. In addition to the automatic termination provisions of Paragraph 15 above, this Agreement may be terminated and the transactions contemplated herein abandoned by either party on or at any time prior to the Closing Date by notice to the other party given in a manner hereinafter provided upon the happening of the following events:

(a) Default or Nonfulfillment of Conditions Precedent. If either party fails to observe or perform in a timely manner any of the covenants and agreements herein contained and fails to cure the same within a period of ten (10) days after notice by the other party; or if the conditions precedent to the Closing for a party have not been fulfilled by such party by the Closing Date (unless such nonfulfillment has been waived by the other party); or

(b) Likely Adverse Action by Federal Government as Result of Hart-Scott-Rodino Premerger Notice. If either party determines that it is likely that adverse action by the Federal Government will occur as a result of the Hart-Scott-Rodino Premerger notification required by the provisions of Paragraph 11 of this Agreement and such party gives written notice of such determination to the other party in the manner hereinafter provided and states that it elects to terminate this Agreement based upon such a determination; or

(c) Action of Government or Other Person. If any material adverse action, suit or proceeding before any court or any governmental body or authority objecting to consummation of the transactions contemplated by this Agreement shall have been instituted or threatened on or before the Closing Date; or

(d) Mutual Consent. By the mutual written consent of the parties hereto.

The right and option to terminate this Agreement as set forth in Subparagraph (a) above shall be deemed to be an additional right of the party having the power to exercise the option and it shall not relieve the other party from the obligation to perform the provisions of this Agreement or preclude an action for specific performance of the provisions of this Agreement by the party having the power to exercise the option. In the event this Agreement is terminated hereunder, this Agreement shall be deemed to be void for all purposes and neither WFA nor CENEX nor FUCE shall have any liability of any nature or kind by reason of such termination.

18. Nature and Survival of Representations, Warranties and Assurances. The representations, warranties and assurances contained in or

made pursuant to this Agreement and any remedies for breaches thereof shall survive the Closing for a period equal to the Statute of Limitations applicable thereto. Each party hereto shall be and remain liable to the other party for the amount of damage or loss to such party because of any inaccuracy in any such representations and warranties and any failure to observe or comply with any such assurances.

19. Indemnities. WFA agrees to save harmless, defend and indemnify CENEX from and against any and all claims arising from the conduct of its business using the Assets sold to CENEX hereunder prior to the Possession Time. CENEX agrees to save harmless, defend and indemnify WFA from and against any and all claims arising from the conduct of its business using the Assets acquired hereunder from and after the Possession Time.

20. Announcements. To the extent that it is within the control of CENEX and WFA, all press releases and other public announcements concerning the subject matter of this Agreement will be jointly approved by CENEX and WFA prior to issuance and release.

21. No Assignments. This Agreement may not be assigned by either party hereto without the prior written consent of the other party.

22. Entire Agreement. This Agreement embodies the entire understanding between WFA and CENEX concerning the subject matter hereof and it shall supersede and replace all prior understandings between the parties with respect to such subject matter; and it cannot be amended, altered, enlarged, supplemented, abridged, modified or any provisions waived except by a writing duly signed by the party affected.

23. Benefit. This Agreement shall bind and inure to the benefit of the parties hereto and their respective successors and permitted assigns.

24. Severability. The invalidity or unenforceability of any particular provision of this Agreement, as may be determined by a court or other governmental agency of competent jurisdiction, shall not affect the other provisions of this Agreement; and this Agreement shall be construed in all respects as if any such invalid or unenforceable provision had not been contained herein.

25. Notice. All notices, requests, demands and other communications hereunder shall be in writing and shall be deemed to have been duly given upon the earlier of actual delivery to the party to whom the notice is to be given, or four (4) days subsequent to the mailing, certified or registered mail, with postage prepaid addressed:

(a) If to CENEX:

CENEX AG, Inc.
P.O. Box 43089
St. Paul, Minnesota 55164
Attention: Charles Habergarten, Esq.

With copy to:

Thomas E. Rohricht, Esq.
Doherty, Rumble & Butler Professional Association
E-1500 First National Bank Building
St. Paul, Minnesota 55101

(b) If to WFA:

WESTERN FARMERS ASSOCIATION
201 Elliott Avenue West
Seattle, Washington 98119
Attention: Michael G. Wickstead, Esq.

With copy to:

Thomas S. Zilly, Esq.
Lane, Powell, Moss & Miller
3800 Rainier Bank Tower
Seattle, Washington 98101


(c) To such other party or place as CENEX or WFA shall respectively designate in the foregoing manner to the other party.

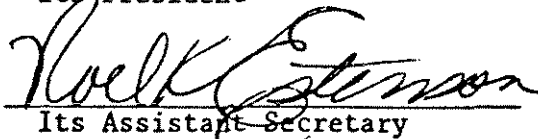
26. Counterparts. This Agreement may be executed in several counterparts, each of which shall be deemed to be an original, but all of which together shall constitute one and the same instrument.

27. Governing Law. This Agreement shall be governed by and construed under the laws of the State of Minnesota.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement on the date(s) shown below effective the day and year first above written.

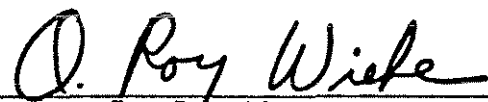
CENEX AG, INC.

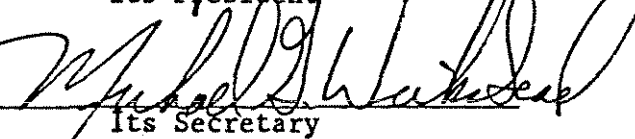
By 
Its President

By 
Its Assistant Secretary

Executed: December 15, 1981

WESTERN FARMERS ASSOCIATION

By 
Its President

By 
Its Secretary

Executed: December 16, 1981

STATE OF MINNESOTA)
) SS.
COUNTY OF DAKOTA)

On this 15th day of December, 1981, before me personally appeared Darrell Moseson and Noel Estenson, to me personally known, who being by me first duly sworn, did depose and say that they are respectively the President and Ass't Secretary of CENEX AG, INC., the corporation named in the foregoing instrument; and that said instrument was signed on behalf of said corporation by authority of its Board of Directors; and they acknowledged said instrument to be the free act and deed of said corporation.

Mary L. Just
Notary Public, Dakota Co., MN
My commission expires: May 15, 1988

STATE OF Washington)
) SS.
COUNTY OF King)

On this 16th day of December, 1981, before me personally appeared O. Ray Thiede and Michael B. Wickstead, to me personally known, who being by me first duly sworn, did depose and say that they are respectively the President and Secretary of WESTERN FARMERS ASSOCIATION, the corporation named in the foregoing instrument; and that said instrument was signed on behalf of said corporation by authority of its Board of Directors; and they acknowledged said instrument to be the free act and deed of said corporation.

Ratti O'Day Woodruff
Notary Public,
My commission expires: October 1, 1984

SCHEDULE OF EXHIBITS

<u>Exhibit</u>	<u>Description</u>
A	WFA's 5/31/81 Internal Financial Statements
B	Schedule of "other accounts"
C	Schedule of Marketing and Supply Contracts With Third Parties
D	Schedule of Third Parties Having Non-Exclusive Right to Use Names Western Farmers Association, Western Farmers of WFA and Scope of Rights
E	Schedule of Prepaid Expenses and Deferred Charges
F	Schedule of Investments in Other Cooperatives
G	Schedule of Personal Property and Real Estate Leasehold Interests and Rights Under Personal Property and Real Estate Contracts
H	Schedule of Property Held for Sale
I-1 and I-2	Copies of Coopers & Lybrand Engagement Letters
J	Schedule of Permitted Exceptions to Title of Assets
K	Legal Descriptions of Owned Real Estate
L	Schedule of Permitted Liens and Encumbrances on Tangible Personal Property
M	Schedule of Litigation
N	Schedule of Insurance Coverage
O	Employee Retention Program

EXHIBIT "A"

Western Farmers Association's 5/31/81

Internal Financial Statements

WESTERN FARMERS ASSOCIATION

FINANCIAL STATEMENTS

May 31, 1981

FINANCIAL STATEMENTS

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WESTERN FARMERS ASSOCIA. 1
BALANCE SHEET

May 31, 1981 and 1980

ASSETS

	<u>1981</u>	<u>1980</u>
Current Assets:		
Cash	\$ 4,034,772	\$ 4,363,90
Accounts and notes receivable after deducting \$929,000 and \$815,000 allowance for doubtful receivables	22,748,521	24,700,03
Inventories	21,668,410	24,854,84
Prepaid expenses and deferred charges	1,335,735	2,649,60
Total Current Assets	49,787,438	56,568,38
Long-term accounts and notes receivable after deducting \$796,000 allowance for doubtful receivables in 1980	4,487,454	4,487,48
Investments in other cooperatives	12,160,235	12,590,74
Property, plant and equipment	11,693,971	15,482,92
Property held for sale or lease	2,116,947	2,278,494
Costs deferred in connection with Chapter 11 proceedings	1,376,530	235,228
	<u>\$81,622,575</u>	<u>\$91,643,260</u>

LIABILITIES

Current Liabilities:		
Drafts outstanding	\$ 2,004,670	\$ 2,373,603
Accounts payable and accrued expenses	5,722,848	6,253,461
Current portion of long-term notes and contracts	193,613	318,473
Total Current Liabilities	7,921,131	8,945,537
Liabilities deferred pursuant to proceedings under Chapter 11	76,317,846	88,950,716
Long-term notes and contracts, excluding current portion	203,478	316,608
	84,442,455	98,212,861
Unallocated deficits net of reserves	(2,819,880)	(6,569,601)
	<u>\$81,622,575</u>	<u>\$91,643,260</u>

LIABILITIES DEFERRED UNDER CHAPTER 11

	May 31 1981	May 31 1980
Notes payable to Spokane Bank for Cooperatives at date of filing	\$57,855,593	\$57,855,593
Accrued interest and C-stock	<u>768,311</u>	<u>771,005</u>
	58,623,904	58,626,598
Deduct net paydown since filing	<u>(13,066,256)</u>	<u>(37,984)</u>
*Current bank debt and accrued interest	45,557,648	58,588,614
CF Industries	603,222	606,970
General unsecured creditors	11,667,022	11,835,528
Subordinated Finance Fund Certificates	14,371,127	14,371,127
Accrued interest on FFCs	803,224	803,224
Pensions	<u>3,315,603</u>	<u>2,745,253</u>
	<u>\$76,317,846</u>	<u>\$88,950,716</u>

*Current monthly interest rate at 14.00%

WESTERN FARMERS ASSOCIATION
INCOME STATEMENT
for the years ended May 31, 1981 and 1980

	<u>1981</u>	<u>1980</u>
Revenues:		
Supply sales	\$182,221,325	\$173,002,621
Products marketed	18,889,738	44,615,521
Other	6,030,724	6,526,471
	<u>207,141,787</u>	<u>224,144,613</u>
Cost of sales and products marketed:		
Supply sales	157,410,704	144,238,991
Products marketed	17,793,901	42,836,311
Other costs and expenses:		
Distribution and selling	17,567,679	18,769,631
General and administrative after deducting \$124,827 and \$1,101,213 charged to discontinued operations in 1981 and 1980	<u>9,283,176</u>	<u>8,099,091</u>
	<u>202,055,460</u>	<u>213,944,033</u>
Margin from continuing operations before non-operating income and expense, interest and discontinued operations	5,086,327	10,200,590
Non-operating income and expense:		
Gain on sales of properties	5,999,224	873,831
Write down of property held for sale or lease	<u>(765,000)</u>	
Margin before interest and discontinued operations	10,320,551	11,074,430
Interest	<u>(6,194,113)</u>	<u>(6,720,326)</u>
Margin from continuing operations	4,126,438	4,354,104
Loss from discontinued operations	<u>(344,166)</u>	<u>(2,905,731)</u>
Net margin	<u>\$ 3,782,272</u>	<u>\$ 1,448,373</u>

STATEMENT OF UNALLOCATED DEFICITS NET OF RESERVES

for the years ended May 31, 1981 and 1980

	<u>1981</u>			<u>1980</u>
	<u>Unallocated Deficits</u>	<u>Reserves</u>	<u>Total</u>	<u>Total</u>
Balance, beginning of year	\$(8,103,983)	\$1,534,382	\$(6,569,601)	\$(8,008,690)
Net margin for the year	3,782,272		3,782,272	1,448,373
Net changes in reserves		<u>(32,551)</u>	<u>(32,551)</u>	<u>(9,284)</u>
Balance, end of year	\$(4,321,711)	<u>\$1,501,831</u>	<u>\$(2,819,880)</u>	<u>\$(6,569,601)</u>

WESTERN FARMERS ASSOCIATION
ANALYSIS OF MARGIN (LOSS) FROM DISCONTINUED OPERATIONS
for the year ended May 31

	May 31, 1981	May 31 1980
Poultry:		
Revenues	\$ 5,639,998	\$16,695,8
Costs and expenses:		
Cost of product marketed	5,071,752	16,677,6
Distribution and selling	332,896	1,172,2
General and administrative:		
Corporate	9,110	608,3
Division	115,717	492,8
Interest	129,738	650,1
	<u>5,659,213</u>	<u>19,601,3</u>
Loss from operations	(19,215)	(2,905,7
Loss on sale of equipment	<u>(324,951)</u>	
Net Loss	<u>\$ (344,166)</u>	<u>\$ (2,905,7</u>

WESTERN FARMERS ASSOCIATION
STATEMENT OF CHANGES IN FINANCIAL POSITION
for the years ended May 31, 1981 and 1980

	<u>1981</u>	<u>1980</u>
Cash provided from operations:		
Margin from continuing operations	\$ 4,126,438	\$ 4,354,101
Loss from discontinued operations	(344,166)	(2,905,731)
Items not affecting cash:		
Decrease (increase) in accounts and notes receivable, net	2,315,963	(633,481)
Decrease in inventories	3,186,434	154,261
Decrease (increase) in prepaid expenses and deferred charges	1,313,872	(1,095,991)
Patronage allocations from other cooperatives	(1,077,542)	(1,812,061)
Depreciation and amortization	1,599,247	1,816,041
Gain on sales of properties	(5,674,273)	(873,831)
Writedown of property held for sale or lease	765,000	
Increase (decrease) in accounts payable, accrued expenses and drafts outstanding	(1,303,581)	576,111
Pension costs	<u>571,010</u>	<u>551,241</u>
Cash provided from operations	5,478,402	130,651
Other cash provided (used):		
Investments in other cooperatives:		
Acquisitions	(338,867)	(784,411)
Redemptions	1,846,917	902,591
Proceeds from property sales collected	7,823,398	41,901
Property acquisitions	(927,293)	(1,962,871)
Increase in costs deferred in connection with Chapter 11 proceedings	(1,141,302)	(235,221)
Increase (decrease) in notes payable and long-term debt	(13,037,835)	3,365,001
Other, net	<u>(32,551)</u>	<u>(9,281)</u>
Increase (decrease) in cash	(329,131)	1,448,351
Cash at beginning of year	<u>4,363,903</u>	<u>2,915,541</u>
Cash at end of year	<u><u>\$ 4,034,772</u></u>	<u><u>\$ 4,363,903</u></u>

May 31,
1980

174,500

12,745

137,755

151,600

171,700

174,500

SUPPLEMENTAL
DATA

CASH

	May 31, 1981	April 30, 1981	May 31, 1980
Rainier National Bank	\$2,110,399	\$ 1,475,143	\$2,175,580
The Bank of California	158		42,723
Peoples National Bank	280,477	324,908	387,748
Seattle-First National Bank	691,971	473,724	494,603
U.S. National Bank of Oregon	316,477	146,268	287,765
Other cash on hand and in banks	<u>635,290</u>	<u>279,280</u>	<u>975,484</u>
Total cash	<u>\$4,034,772</u>	<u>\$ 2,699,323</u>	<u>\$4,363,903</u>

**ACCOUNTS, NOTES AND CONTRACTS RECEIVABLE
AND ALLOWANCE FOR DOUBTFUL RECEIVABLES**

	May 31, 1981		April 30, 1981		May 31, 1980	
	Current	Long-Term	Current	Long-Term	Current	Long-Term
Accounts, notes and contracts receivable						
Customer accounts	\$ 648,502	\$ 419,654	\$ 809,843	\$ 419,654	\$ 2,828,081	\$
Member accounts	21,314,275	341,651	21,685,390	341,650	21,509,214	
Notes and contracts	859,830	3,726,149	882,713	3,729,845	838,803	4,364,188
Other	854,914		426,133		338,937	919,295
Total	23,677,521	4,487,454	23,804,079	4,491,149	25,515,035	5,283,483
Allowance for doubtful receivables	(929,000)		(993,000)		(815,000)	(796,000)
Net accounts receivable	<u>\$22,748,521</u>	<u>\$ 4,487,454</u>	<u>\$22,811,079</u>	<u>\$ 4,491,149</u>	<u>\$24,700,035</u>	<u>\$ 4,487,483</u>

An aging analysis of WFA customer and member accounts follows:

	Age of Receivables (days)					Total
	Current	31-60	61-90	91-120	Over 120	
May 31, 1981						
Customer	\$ 251,230	\$ 102,269	\$ 5,642	\$ 5,966	\$ 703,049	\$ 1,068,156
Member	15,994,232	2,438,353	775,840	272,823	2,174,678	21,655,926
Percent	72%	11%	3%	1%	13%	100%
April 30, 1981						
Customer	352,930	142,370	17,736	(21,623)	738,084	1,229,497
Member	16,530,773	2,090,472	500,932	323,764	2,581,099	22,027,040
Percent	73%	10%	2%	1%	14%	100%
May 31, 1980						
Customer	1,100,972	857,474	215,217	85,125	569,293	2,828,081
Member	15,725,386	2,996,233	802,294	361,355	1,623,946	21,509,214
Percent	69%	16%	4%	2%	9%	100%

At May 31, 1981, customer and member accounts receivable include balances of \$419,654 and \$342,651, respectively, which have not been paid pending disposition of offset claims arising as a result of Chapter 11. These balances are principally "over 120" days.

INVENTORIES

	May 31, 1981	April 30, 1981	May 31, 1980
Marketing inventories			
Seed	\$ 1,092,346	\$ 1,307,919	\$ 904,489
Turkey			29,942
Fryers (finished)			517,422
Fryers (in process)			789,306
Grain	<u>529,974</u>	<u>1,343,874</u>	<u>1,171,218</u>
	1,622,320	2,651,793	3,412,377
Supply inventories			
Farm building	475,279	491,338	679,425
Farm supply	5,200,410	4,776,251	5,076,564
Feed	4,724,479	4,721,478	3,643,056
Fertilizer	1,680,891	2,482,347	2,416,463
Chemicals	1,395,034	1,839,486	1,984,953
Seed	1,481,862	1,730,515	1,965,490
Petroleum	712,570	716,550	705,088
Propane	86,589	87,035	81,601
Mechanical milking equipment	553,558	720,040	1,257,816
TBA	-	432,045	598,241
Oil and greases	<u>570,511</u>	<u>546,595</u>	<u>682,603</u>
	16,881,183	18,543,680	19,091,300
Other, principally marketing supplies	349,892	362,607	464,431
Advance payments on purchases	<u>2,815,015</u>	<u>3,621,821</u>	<u>1,886,736</u>
	<u>\$21,668,410</u>	<u>\$25,179,901</u>	<u>\$24,854,844</u>

Valuation of inventories:

Marketing Inventories. Grain inventories are priced at estimated net realizable value which represents current sales price less estimated costs of completion, disposition, and finance costs. Cash seed inventory, is priced at the lower of cost (first-in, first-out) or market.

Supply Inventories. Supply inventories are priced at the lower of cost (first-in, first-out) or market.

Other inventories, which are principally marketing supplies, are priced at cost or replacement cost.

Inventories identified as obsolete, damaged, or slow-moving have been valued at the lower of cost or net realizable value.

PREPAID EXPENSES AND DEFERRED CHARGES

	May 31, 1981	April 30, 1981	May 31, 1980
Prepaid expenses			
Poultry grow-out costs	\$ 17,369	\$ 45,918	\$ 23,595
Payroll system	26,073	17,144	1,348
Tote bins and poultry coops			81,276
Prepaid freight	25,236	53,065	229,302
Prepaid licenses	56,192	72,430	56,170
Prepaid property taxes	249,629	285,967	253,010
Deferred fuel tax penalty	81,845		
Deposits	233,094	283,222	302,078
Interest			
Prepaid insurance	69,704	163,595	911,140
Prepaid lease	65,221	71,482	68,674
Insurance security deposit	452,358	452,358	685,000
Others	59,014	69,588	38,014
	<u>\$1,335,735</u>	<u>\$1,514,769</u>	<u>\$2,649,607</u>

a. To be amortized over useful lives of assets, 3-4 years.

INVESTMENTS IN OTHER COOPERATIVES

	May 31, 1981	April 30, 1981	May 31, 1980
Spokane Bank for Cooperatives	\$ 6,338,614	\$ 6,379,189	\$ 7,083,410
CF Industries, Inc.	5,340,217	5,340,217	4,998,053
Universal Cooperatives, Inc.	340,829	340,829	334,340
American National Foods, Inc.	33,010	33,010	33,010
Other, under \$20,000 each	107,565	107,565	141,930
	<u>\$12,160,235</u>	<u>\$12,200,810</u>	<u>\$12,590,743</u>

**PROPERTY, PLANT AND EQUIPMENT
ACCUMULATED DEPRECIATION AND AMORTIZATION**
for the year ended May 31, 1981

	Assets, at cost				Balance May 31, 1981
	Balance June 1, 1980	Additions	Retirements	Transfers	
Land	\$ 1,118,342	\$	\$ 111,880	\$ (154,334)	\$ 852,128
Building	12,694,468	68,412	599,778	(753,695)	11,409,407
Machinery and equipment	11,795,716	424,477	2,658,072	(46,374)	9,515,747
Transportation equipment	6,130,755	622,943	758,498	(16,528)	5,978,672
Furniture and fixtures	767,902	63,719	41,131	(20,951)	769,539
Leasehold improvements	2,833,591	10,720	548,962	(156,006)	2,139,343
Law library	5,274				5,274
	<u>35,346,048</u>	<u>1,190,271</u>	<u>4,718,321</u>	<u>(1,147,888)</u>	<u>30,670,110</u>
Construction in progress	<u>512,241</u>	<u>1,007,493</u>		<u>(1,264,470)</u>	<u>255,264</u>
	<u>\$ 35,858,289</u>				<u>\$30,925,374</u>

	Accumulated Depreciation and Amortization				Balance May 31, 1981
	Balance June 1, 1980	Additions	Retirements	Transfers	
Building	\$ 7,147,975	\$ 372,871	\$ 350,724	\$ (355,210)	\$ 6,814,912
Machinery and equipment	7,694,751	521,717	1,206,816	(19,507)	6,990,145
Transportation equipment	3,515,308	575,827	524,679	(31,598)	3,534,858
Furniture and fixtures	578,636	50,027	32,751	(3,849)	592,063
Leasehold improvements	1,435,714	82,282	116,249	(105,832)	1,295,915
Law library	2,982	528			3,510
	<u>\$20,375,366</u>	<u>\$1,603,252</u>	<u>\$2,231,219</u>	<u>\$ (515,996)</u>	<u>\$19,231,403</u>

PROPERTY HELD FOR SALE

Idle plant at lower of depreciated cost or estimated net realizable value

Location	May 31, 1981				April 30, 1981	May 31, 1980
	Land	Building	Equipment	Total	Total	Total
Washington:						
Warden	\$ 27,440	\$ 384,160	\$382,444	\$ 794,044	\$1,266,638	\$1,266,638
Moses Lake Vegetable	65,305	378,695	-	444,000	736,406	761,837
East Central Poultry	4,173	145,498	21,507	171,178	171,178	179,520
Prosser		34,281		34,281	34,281	34,281
Rosalia		8,841		8,841	8,841	8,841
Auburn	1,100	187		1,287	1,475	
Seattle			17,102	17,102	17,102	
Monroe		125		125	249	
Idaho:						
Coeur d'Alene						1,235
Marsing	100	24,038		24,138	24,305	26,142
Oregon:						
Portland Poultry	145,818	392,513		538,331	538,331	
Salem	7,416			7,416	7,416	
Junction City		48,283	27,921	76,204	76,925	
	<u>\$251,352</u>	<u>\$1,416,621</u>	<u>\$448,974</u>	<u>\$2,116,947</u>	<u>\$2,883,147</u>	<u>\$2,278,494</u>
Writedown:						
Moses Lake Vegetable		(124,885)	(167,521)	(292,406)		
Warden	(6,067)	(158,499)	(308,028)	(472,594)		
	<u>(6,067)</u>	<u>(283,384)</u>	<u>(475,549)</u>	<u>(765,000)</u>		
Adjusted Book:	251,352	1,416,621	448,974	2,116,947		

OTHER LONG-TERM NOTES AND CONTRACTS PAYABLE

		May 31, 1981			May 31, 1980
	<u>Collateral</u>	<u>Total</u>	<u>Current</u>	<u>Long-Term</u>	<u>Total</u>
Equipment contracts:					
Greyhound Leasing	Equipment	\$355,091	\$172,613	\$182,478	\$ 635,081
Mortgage notes:					
Lake Petroleum Co.	Real estate and equipment	42,000	21,000	21,000	
		<u>\$397,091</u>	<u>\$193,613</u>	<u>\$203,478</u>	<u>\$ 635,081</u>

FINANCE FUND CERTIFICATE

May 31, 1981

<u>Year of Call</u>	<u>6% 15-Year Issue</u>	<u>6% Special Issue</u>	<u>Other¹</u>	<u>Total</u>
1981	\$ 1,512,217	\$121,851	\$142,448	\$ 1,776,516
1981	1,847,781	107,549		1,955,330
1982	1,252,367			1,252,367
1983	3,102,129			3,102,129
1984	3,161,230			3,161,230
1985	1,555,328			1,555,328
1986	1,568,227			1,568,227
	<u>\$13,999,279</u>	<u>\$229,400</u>	<u>\$142,448</u>	<u>\$14,371,127</u>

1. Principally certificates called but not yet redeemed.

RESERVES

<u>Description of reserves:</u>	<u>May 31, 1981</u>	<u>April 30, 1981</u>
Written notices of undistributed feed and petroleum margins	\$1,000,006	\$1,000,006
Special surplus margin from mergers of Idaho Potato Growers	92,351	92,351
Unallocated patronage	31,534	31,534
Reserve for education and charitable contributions	<u>377,940</u>	<u>386,882</u>
	<u>\$1,501,831</u>	<u>\$1,510,773</u>

EXHIBIT "B"

1. "Other Accounts" (Page 7 of WFA's 5/31/81 Internal Financial Statements) being acquired by CENEX:

NONE

EXHIBIT C

Contracts or Agreements With Third Parties
Covering the Right to Sell or Purchase
"Marketing" and "Supply" Inventories

To be Finalized by Mutual Agreement
of WFA and CENEX Prior
to the Closing Date

EXHIBIT C

(To Be Finalized by Mutual Agreement
of WFA and CENEX Prior
to the Closing Date)

Following are general descriptions of contract or agreement categories or types which may be assigned to and assumed by CENEX as of the Possession Time (subject to review and agreement of WFA and CENEX prior to the Closing Date), covering the purchase or sale of "Marketing" and "Supply" Inventories (as defined in the Purchase and Sale Agreement):

1. Commodities Purchase and Sale Contracts, Agreements, or other Commitment.
 - a. Commodity Purchase Agreements for purchase of seeds, beans, or grains from growers or dealers.
 - b. Commodity Sale Agreements for sale of seeds, beans, or grains to dealers or other purchasers.
 - c. Commodity production contracts with growers for the production and purchase of seeds, beans, or grains at harvest.
2. Building Construction Contracts and Labor Sub-contracts.
 - a. Contracts for sale of building materials to buyer-users.
 - b. Contracts for furnishing labor by independent contractors to construct buildings.
 - c. Contracts, agreements, purchase orders for purchase of building materials.
3. Commissioned Salesman's Contracts (for sales of Inventory items).
 - a. Farm Buildings Commissioned Salesman agreements.
 - b. Bulk Feed Salesman contracts.
 - c. Other Salesman contracts.
4. Contracts for fumigation or agrichemical application services (with independent contractors).
5. Supplier/Distributor Contracts (for supply of products to WFA) - list of significant existing contracts attached.

6. Consignment Sales Agreements ("Dealers")
(Agreements with local merchants for sale of WFA goods on consignment.)
7. Customer Pre-payments and commitments to Supply:
 - a. Pre-payments for feed
 - b. Pre-payments for agrichemicals
 - c. Pre-payments for other inventory items
8. Customer Supply Commitments (to supply WFA customers inventory items at retail or wholesale).
9. Purchase Orders or other Purchase Commitments
(for purchase by WFA of inventory items).
10. Contracts or other commitments to furnish services to purchasers of inventory items.
 - a. Mechanical Milking Equipment maintenance agreements.
 - b. Agrichemical application services.
 - c. Fertilizer application services.
 - d. Soil testing.
 - e. Consultation regarding farm management.
 - f. Feed laboratory analysis.
 - g. Other services.
11. Contracts or other commitments for sale and installation of Mechanical Milking Equipment.
12. Contracts or other commitments for purchase of supplies, principally marketing supplies, and supplies used in sales of feed, fertilizer, and agrichemical inventory items.
13. Contracts or other commitments for purchase of advertising materials and printed forms used in the promotion and sale of inventory items.

Western Farmers Association
Supplier Contracts

SUPPLIER	DESCRIPTION	TERM
American Cyanamid Co.	Agricultural pesticide products	Indefinite
Atlantic Richfield Co.	Terminal Access Agmt. East Pasco, Washington; Linnton, Oregon	Indefinite
Arco Petroleum Products	Diesel #2	Expires 9/30/82
Cascade Natural Gas Corp.	Natural gas service Othello, Granger, Lawrence	Year to year
Chevron Chemical Co.	Agricultural chemicals	1/31/82
Chevron Standard Ltd.	HD-5 Propane	3/31/82
Ciba-Geigy Corp.	Agricultural products	10/1/81 - 9/30/82
Diamond Shamrock	Animal Health	12/31/81
DuPont de Nemours & Co.	Agrochemicals	12/31/81
Elanco	Animal Health	12/31/81
FMC Corp.	Agrochemicals	12/31/81
Home Oil Co. Ltd.	Propane	3/31/82
Kalo Laboratories	Agrochemicals	Terminated 1/8/80 - evergreen between the parties
Merck & Co., Inc.	Animal Health	12/31/81
Monsanto & Co.	Agrochemicals	1/31/82
Occidental Chemical Co.	Agrochemicals	Expires with 30-day notice

SUPPLIER	DESCRIPTION	TERM
PBI-Gordon Corp.	Weed & Feed Herbicide	3/14/82
Pfizer	Animal Health	Expires upon 30-day notice
Reynolds Aluminum	Building Products	Indefinite
Shell Chemical Co.	Agrochemicals	Expires 12/31/81
Tuco (Upjohn)	Animal Health	12/31/81
U & I Inc.	Fertilizer	Expires 12/31/81
Uniroyal Chemical	Agrochemicals	12/31/81
Velsicol Chemical Corp.	Agrochemicals	8/31/81

EXHIBIT "D"

Schedule of Third Parties Having Non-Exclusive
Right to Use Trademarks or Tradenames of
Western Farmers Association.

TRADEMARK LICENSE AGREEMENTS

Agreement between Western Farmers Association and Belozor's Poultry Farms and Belozor Farms, Inc. dated September 12, 1980:

Trademark	Registration #	Registration Date
Lynden	624,604	4/3/56
Lynden	522,121	3/14/50
*Lynden Farms	1,147,294	2/17/81

Agreement between Western Farmers Association and Carnation Company dated March 14, 1979:

Lynden	624,604	4/3/56
Lynden	522,121	3/14/50
**Lynden Farms	1,147,294	2/17/81

Agreement between Western Farmers Association and Carnation Company dated October 29, 1973:

***New Sweden	707,267	11/15/60
***Chicken Design	708,496	12/13/60
***Gem of the Mountains	709,423	1/3/61
***Little Swede	770,467	5/26/64
***Box Design	802,348	1/18/66
***Spudsville, U.S.A. Design	819,204	11/22/66

Agreement between Western Farmers Association and Nalley's Fine Foods dated July 1, 1974:

Lynden	624,604	4/3/56
Lynden	522,121	3/14/50
*Lynden Farms	1,147,294	2/17/81

Agreement between Western Farmers Association and Pacific Sales Limited, dated August 10, 1978:

Hi-West	591,756	6/22/54
Lynden	624,604	4/3/56
Lynden	522,121	3/14/50
**Lynden Farms	1,147,294	2/17/81

- * Registration pending at the date of the agreement
- ** Trademark not registered at the date of the agreement
- *** Original Trademarks (Registrations) were apparently given to Carnation Company at the time of sale. WFA has no other record of these trademarks.

EXHIBIT "E"

Schedule of Prepaid Expenses and Deferred Charges to be
Acquired by CENEX:

To be determined by CENEX

Prior to the Closing Date

EXHIBIT "F"

Schedule of Investments in Other Cooperatives to
be Acquired by CENEX.

To be Determined by CENEX

Prior to the Closing Date

EXHIBIT G

Schedule of Personal Property and Real Estate
Leasehold Interests, Rights Under Personal
Property and Real Estate Contracts, and All
Other Contracts and Agreements Related to
Personal Property and Real Estate to be
Acquired by CENEX subject to modification by
CENEX prior to the closing date:

EXHIBIT G

Following is a list by general category (with attached sub-lists where appropriate) of personal property and real estate leasehold interests, rights under personal property and real estate purchase contracts, and all other agreements, contracts, or other commitments related to personal property and real estate to be acquired by CENEX:

1. Leases (WFA as lessee) of computer and data processing equipment (detailed schedule attached).
2. Leases (WFA as lessee) of transportation equipment (detailed schedule attached).
3. Leases (WFA as lessee) of real estate, where lessor is railroad company (detailed schedule attached).
4. Leases (WFA as lessee) of real estate, where lessor is other than railroad company (detailed schedule attached).
5. Leases (WFA as lessor) of real estate (detailed schedule attached, as part of schedule referenced in number 4. above).
6. Propane tank rental agreements (WFA as lessor).
7. Contract to purchase business and related personal property and real estate from Lake Petroleum Company.
8. Contracts or agreements for supply to improved real estate utility services, including:
 - a. Electricity
 - b. Water
 - c. Gas
 - d. Sewer
 - e. Garbage disposal
 - f. Telephone
 - g. Other

9. Contracts or agreements for maintenance of improved real estate:
 - a. Janitorial services
 - b. Guard services
 - c. Routine repair or maintenance services
 - d. Other
10. Contracts or agreements for providing operating supplies to WFA facilities:
 - a. Heating oil
 - b. Diesel fuel
 - c. Compressed air
 - d. Other
11. Contracts or agreements for repair, maintenance, service of personal property items by others.
12. Contracts or agreements to permit use by others of personal property owned by or leased to WFA.
13. Contracts or agreements for purchase of personal property not yet received by WFA prior to the Possession Time.
14. Contracts or agreements for sale of real estate or personal property included within "Property, Plant and Equipment" not completed prior to the Possession Time.
15. Bailment agreements (WFA as bailee or bailor) related to personal property.
16. Agreements, commitments, statutory or regulatory obligations related to operation by WFA of public warehouses.
17. Agreements, commitments, or contracts by WFA to service equipment or other personal property of third parties.
18. Computer Software and WFA support records.
19. WFA feed lab equipment.

WESTERN FARMERS ASSOCIATION

RAILROAD LEASES

Adams, (Keystone) Oregon	95335
Adams, Oregon	32547
Auburn, Wash.	78802
Arlington, Wash.	101262
Bellingham, Wash.	Industrial Track Agreement (ITA)
Brush Prairie, WA	ITA
Chehalis, Wash.	ITA
Downing, Oregon	24666
Ellensburg, Wash.	232,192
Eltopia, Wash.	218719
Eltopia, Wash.	84667
Enumclaw, Wash.	78739
Everett, Wash.	227996
Everett, Wash.	229288
Everett, Wash.	ITA
Everett, Wash.	77215
Grand Mound, Wash.	212611
Granger, Wash.	ITA
Granger, Wash.	69075
Granger, Wash.	67966
Hillsboro, Ore.	ITA
Junction City, Ore.	OE 3583
Lawrence, Wash.	231,642
Lawrence, Wash.	ITA
Lawrence, Wash.	100216
Marsing, Idaho	21309
Marsing, Idaho	16981
Medford, Ore.	ITA
Monroe, Wash.	80816
Moses Lake, Wash.	1995
Mt. Vernon, Wash.	84766
Mt. Vernon, Wash.	231,518
Mt. Vernon, Wash.	231,519
Newport, Wash.	70147
Newport, Wash.	71524
Olympia, Wash.	3151-1-A
Ontario, Ore.	19157
Ontario, Ore.	21072
Othello, Wash.	2018
Othello, Wash.	S-7216
Othello, Wash.	80266
Parkland, Wash.	218,615
Pasco, Wash.	229,561
Prosser, Wash.	96071

Railroad Leases
Page 2

Location

Number

Quincy, Wash.	66585
Quincy, Wash.	69746
Quincy, Wash.	223,751
Quincy, Wash.	70927
Quincy, Wash.	223,481
Quincy, Wash.	223,816
Rosalia, Wash.	80244
Royal City, Wash.	ITA
Sequim, Wash.	L-79174
Sprague, Wash.	100671
Sunnyside, Wash.	207,397
Sunnyside, Wash.	207,364
Sunnyside, Wash.	24012D
Sunnyside, Wash.	74620
Sunnyside, Wash.	29139
Tacoma, Wash.	233,114
Tillamook, Ore.	179208
Toppenish, Wash.	TL 77-930
Toppenish, Wash.	217,329
Trinidad, Wash.	66587
Umatilla, Ore.	31546
Umatilla, Ore.	19983
Umatilla, Ore.	31414
Umatilla, Ore.	31659
Umatilla, Ore.	32694
Venner, Wash.	86754
Venner, Wash.	ITA
Waterman, Ore.	98521
Waterman, Ore.	98523
Wayland, Ore.	98522
Weston, Ore.	24337
Weston, Ore.	27546
Weston, Ore.	18052
Wheeler, Wash.	222,152
Woodland, Wash.	57135
Yakima, Wash.	47633
Yelm, Wash.	90449

WESTERN FARMERS ASSOCIATION

LEASES

(Except Railroad Leases)

<u>Location</u>	<u>Lessor</u>	<u>Lessee</u>
1. Auburn, WA	Western Farmers Assoc.	Del's Farm Supply
2. Ellensburg, WA	Kittitas County	Western Farmers Assoc.
3. Chehalis, WA	PUD #1, Lewis County	Western Farmers Assoc.
4. Lawrence, WA	Western Farmers Assoc.	Nooksack Farms
5. Junction City, Ore.	Western Farmers Assoc.	Raymond Bell
6. Junction City, Ore.	Western Farmers Assoc.	Hayworth Seed Warehouse
7. Moses Lake, WA	E. Crawford Jones	Western Farmers Assoc.
8. Puyallup, WA	Western Farmers Assoc.	WFA Federal Credit Union
9. Marion County, Ore.	Western Farmers Assoc.	FFR Cooperative
10. Seattle, WA	Western Farmers Assoc.	Spokane Bank for Coop.
11. Sumner, WA	Valmac Industries	WFA-Subleased to Belozzer Farms, Inc.
12. Walla Walla, WA	Walla Walla Airport Bd.	Western Farmers Assoc.
13. Wenatchee, WA	Frank J. Schultz	Western Farmers Assoc.
14. Seattle, WA	Western Farmers Assoc.	Datamac, Inc.
15. Moses Lake, WA	Port of Moses Lake	Western Farmers Assoc.
16. Downing and Weston, Ore.	Western Farmers Assoc.	Robert Bafus
17. Tacoma, WA	Home Electric Co.	Western Farmers Assoc.
18. Seattle, WA	Western Farmers Assoc.	Union Bay Sportswear Ltd.
19. Ontario, Ore.	Western Farmers Assoc.	Simplot, Inc.
20. Portland, Ore.	Western Farmers Assoc.	Belozzer Farms, Inc.
21. Napavine, Ore.	Chehalis Grain Co.	Western Farmers Assoc.
22. Lynden, WA	Lynden School District	Western Farmers Assoc.

LEASE

EXPIRATION/OPTION

TRANSFERABILITY/RESTRICTIONS

IBM

Machine Type

4341

2 year lease expires
9/13/83 - \$7,670/mo.Prior written approval from IBM to
transfer equipment

3203

2 year lease expires
6/28/83 \$1,475/mo.

3203

2 year lease expires
6/31/83 \$1,475/mo.

3278

2 year lease expires
9/13/83 \$1,475/mo.

1416 (2 machines)

month to month rental
\$ 252/mo.30 day notice for expiration - otherwise
prior written notice needed

ITT COURIER

Machine Type

2703 (6 machines)

1 year lease expires
7/22/81 \$ 468/mo.Prior written approval from ITT Courier
to transfer equipment

8702

1 year lease expires
8/10/81 \$ 243/mo.

2703 (3 machines)

1 year lease expires
8/10/81 \$ 234/mo.

SOFTWARE PURSUITS

Software

month to month rental
\$ 720/mo.30 day notice for expiration - otherwise
prior written notice needed

COMPUTER ASSOCIATES

Software

month to month rental
\$ 135/mo.30 day notice for expiration - otherwise
prior written notice needed

LEASE

EXPIRATION/OPTION

TRANSFERABILITY/RESTRICTIONS

IBM

Word Processing Equipment

6 month lease - expires
January 30, 1982
\$525/mo. for
each of
4 ma-
chines

Prior written approval from IBM to
transfer equipment

L RENTALS

Computer terminal in
Credit Department

month to month rental
\$140/mo.

30 day notice for expiration - otherwise
prior written notice needed

COMPUTONE

Terminals in Feed
Department

3 machines:

- 1) General Office
- 2) Lawrence
- 3) Portland

month to month rental
rental varies approx.
\$3,400/mo.

30 day notice for expiration - otherwise
prior written notice needed

Transportation Leases

LEASE

EXPIRATION/OPTION

TRANSFERABILITY/RESTRICTIONS

Greyhound

Schedule 18

60 payments - 57 have
been made - monthly
cost depends on bank
rate approx.

\$2,985.62/mo.

Schedule 19

60 payments - 35 have
been made - monthly
cost depends on bank
rate approx.

\$1,246.48

Schedule 20

60 payments - 33 have
been made - monthly
cost depends on bank
rate approx.

\$2,971.51/mo.

The equipment will most probably have
to be bought out, by Western Farmers
Association from Greyhound.

1st Greyhound

60 payments - 39 have
been made - monthly
cost depends on bank
rate approx.

\$3,500.00/mo.

LEASE

EXPIRATION/OPTION

TRANSFERABILITY/RESTRICTIONS

ROLLINS LEASING CORPORATION

3 trailers: (Serial #)

79235

79236

79237

Lease expires 5/9/89
or on May 9, of any
year before 1989 with
60 days written notice
given by Western Farmers
Association or Rollins
\$296.01/mo. for each

Prior written approval from Rollins
to transfer equipment

5 trucks: (Unit #)

53191

53192

53193

53194

53195

Lease expires 1/8/82
\$258.63/mo. for each

Prior written approval from Rollins
to transfer equipment

Petro - WFA #172

Tanker Trailers

Bulkfeed - WFA #174

Trailers 176

177

Month to month rental

Agreements could be cancelled at any
time

Semi-40' Vans WFA #180

181

LEASE

EXPIRATION/OPTION

TRANSFERABILITY/RESTRICTIONS

Transport International
Pool, Inc.

(7) 45' Vans

Serial #

BIV607209

15270

15267

15264

15265

15259

15268

One year lease expires
April, 1982 - \$236.00/mo
for each van
The March and April, 1982
payments have already
been paid.

The lease would have to be paid
out for the remainder of the year.
Prior written approval from
Transport International Pool, Inc.
to transfer equipment.

L. P. Busch Co., Inc.

(1) Freightliner

I.D. #7635259723

6-month lease runs to
November 1, 1981, and
after that month to
month with 30 days
written notice to
cancel lease.

\$61.00/trip

Prior written approval from Busch
to transfer equipment.

EXHIBIT "H"

Schedule of Property Held For Sale to be Acquired
by CENEX, and the Acquisition Price:

NONE

March 17, 1982

Mr. Richard A. Baldwin
Western Farmers Association
201 Elliott Avenue West
Seattle, Washington 98119

Dear Mr. Baldwin:

This letter is to confirm our understanding of the work to be performed by Coopers & Lybrand (C&L) in connection with the application of agreed-upon procedures to specified financial and other records of Western Farmers Association (WFA) in connection with the Asset Purchase and Sale Agreement between CENEX, AG, Inc. and WFA dated December 16, 1981. This letter replaces our letter of November 10, 1981 on the same subject.

Nature of Procedures and Report

Our approach will be to apply agreed-upon procedures to certain accounts of WFA as of the closing date specified in the above-mentioned agreement as described in Exhibit A to this letter.

We will issue a report which will indicate the accounts to which the procedures were applied, enumerate the procedures performed and provide a written estimate of balances in those accounts. Our report is solely to assist you in determining the down payment for the assets reviewed and is not to be used for any other purposes.

Because the agreed-upon procedures do not constitute an examination of the financial statements in accordance with generally accepted auditing standards, we will not express an opinion thereon.

Role of WFA

We will meet with Mr. R. A. Baldwin, Mr. W. O. Conn, and members of the staff to develop a plan to maximize efficiency in the performance of the specified procedures. The plan, as agreed upon, will define the respective areas of responsibility of C&L and WFA. Responsibilities assigned to WFA will comprise those which can most efficiently be performed by WFA personnel such as preparation of schedules to be delivered at specified dates.

Mr. Richard A. Baldwin
Western Farmers Association
March 17, 1982
Page 2

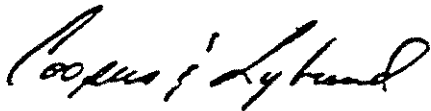
Role of C&L

The estimating procedures will be under the direct supervision of Mr. Clair O'Keefe general practice partner in the Seattle office. Mr. Jan Kallshian will be the audit manager in charge of the engagement.

We anticipate beginning our work in February and performing the major portion of the procedures during the period March 15 to April 16, 1982.

We are pleased to be of service to the Association. Should you have any questions with respect to this letter or any other matters, please contact Clair O'Keefe or Jan Kallshian.

Very truly yours,

A handwritten signature in cursive script, appearing to read "Rogers Lybrand".

CLO:ep
JK

EXHIBIT A

ESTIMATE OF APRIL 16, 1982 BALANCES

Accounts Receivable

Members - C&L will summarize cash collections on member accounts receivable for the February 28, March 10 and 20, 1982 cycles. Collection activity will be extrapolated and applied to March 20, 1982 receivable balances to estimate April 16, 1982 balances. If additional cycles are processed between March 20 and April 16, 1982 our estimate will be updated accordingly.

Customers - C&L will determine the average percent change in customer receivables between February 28, and the following April 30, 1979, 1980 and 1981. The computed percent change will be applied to February 28, 1982 customer receivables to estimate April 16, 1982 receivables, which will then be reduced an additional 10% to reflect potential increased collection efforts. An additional adjustment will be made to reflect changes resulting from variations from doing business in the ordinary course as mutually agreed upon in writing by WFA and CENEX and communicated to us.

Other receivables - C&L will estimate April 16, 1982 to be the same as February 28, 1982 or March 31, 1982 whichever is the most recent available. This estimate will be reduced by 10% to reflect potential increased collection efforts.

Inventories

Marketing and supply - C&L will determine the average percent change in marketing and supply inventory dollars between February 28, and the following April 30, 1979, 1980 and 1981, for product lines which exist at February 28, 1982. The computed percent change will be applied to February 28, 1982 marketing and supply inventories to estimate April 16, 1982 inventories, which will then be reduced an additional 10% to reflect potential increased sales efforts and purchasing decreases. An additional adjustment will be made to reflect changes resulting from variations from doing business in the ordinary course as mutually agreed upon in writing by WFA and CENEX and communicated to us.

Other inventories and advance payments on purchases - C&L will estimate April 16, 1982 balances to be the same as February 28, 1982 or March 31, 1982 whichever is the most recent available, reduced by 10%.

Prepaid expenses and deferred charges - C&L will estimate April 16, 1982 balances to be same as February 28, 1982 or March 31, 1982 whichever is the most recent available, reduced by 10%.

Investment in other cooperatives - C&L will estimate April 16, 1982 balances to be the same as February 28, 1981 or March 31, 1982 whichever is the most recent available.

All amounts used in developing the above estimates will be obtained from WFA's internal financial statements and supporting detail schedules.

The above procedures assume the closing date will remain April 16, 1982. If the closing date is changed, the above-mentioned dates will be modified accordingly.

March 17, 1982

Mr. Richard A. Baldwin
Western Farmers Association
201 Elliott Avenue West
Seattle, Washington 98119

Dear Mr. Baldwin:

This letter is to confirm our understanding of the work to be performed by Coopers & Lybrand (C&L) in connection with the application of agreed-upon procedures to specified financial and other records of Western Farmers Association (WFA) in connection with the Asset Purchase and Sale Agreement between CENEX, AG, Inc. and WFA dated December 16, 1981. This letter replaces our letter of November 11, 1981 on the same subject.

Scope of Review and Report

Our review will consist of applying agreed-upon procedures to certain accounts of WFA as of the closing date specified in the above-mentioned agreement as described in Exhibit A to this letter.

We will issue a report which will indicate the accounts to which the procedures were applied, enumerate the procedures performed and state our findings. Our review and report is solely to assist you in determining the purchase price of the assets reviewed and is not to be used for any other purposes.

Because the agreed-upon procedures do not constitute an examination of the financial statements in accordance with generally accepted auditing standards, we will not express an opinion thereon.

Role of WFA

We will meet with Mr. R. A. Baldwin, Mr. W. O. Conn, and members of the staff to develop a plan to maximize efficiency in the performance of the review. The plan, as agreed upon, will define the respective areas of responsibility of C&L and WFA. Responsibilities assigned to WFA will comprise those which can most efficiently be performed by WFA personnel and will include those that have been performed in the past annual examinations such as:

- . Preparation of schedules to be delivered at specified dates;
- . Assistance in physical inventory observations and performance of specified validation work by the internal audit department;
- . Documentation supporting transactions.

Mr. Richard A. Baldwin
Western Farmers Association
March 17, 1982
Page 2

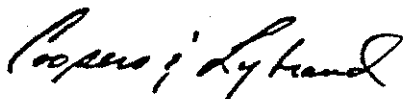
Role of C&L

The review will be under the direct supervision of Mr. Clair L. O'Keefe, general practice partner in the Seattle office. Technical assistance will be provided by other partners of the Firm, including a second partner review by a partner from our Minneapolis office. Mr. Jan Kallshian will be the audit manager in charge of the examination. Our Computer Audit Assistance Group will provide technical assistance.

If April 16, 1982 is finalized as the date of our review, we anticipate beginning our work in March and performing the major portion of the review during the period May 10 to June 18, 1982.

We are pleased to be of service to the Association. Should you have any questions with respect to this letter or any other matters, please contact Clair O'Keefe or Jan Kallshian.

Very truly yours,



CLO:ep
JK

EXHIBIT A

AGREED-UPON PROCEDURES

Accounts Receivable:

1. Confirm member and customer accounts receivable balances on the following basis:
 - A. Confirm member account balances as of the March 20 and 31 and April 10 cycle dates using the following criteria:
 - . Positive confirmations on all accounts of \$40,000 or greater
 - . Negative confirmations on all other accounts.
 - B. Confirm customer account balances as of March 31 using the following criteria:
 - . Positive confirmations on all accounts of \$40,000 or greater
 - . Negative confirmations on all other accounts.
2. Supporting documentation (sales invoices, cash receipts and adjustments) will be reviewed on a test basis for accounts for which positive confirmations are not returned.
3. Review WFA explanations of any confirmation exceptions and review appropriate supporting documentation to resolve the exceptions. Unresolved exceptions will be summarized and included in our report.
4. Review the roll-forward schedule summarizing the activity from the confirmation dates through April 16, 1982 and:
 - . Test mathematics
 - . Agree amounts to the summary control reports
 - . Select 25 member accounts and 10 customer accounts and trace all activity over \$1,000 between confirmation date and April 16, 1982 to invoices, cash receipt documentation or other adjustment documentation as appropriate.

Accounts Receivable, Continued:

5. Review the April 16, 1982 reconciliation of the member and customer accounts receivable subsidiary ledgers to the general ledger and:
 - . Test mathematics
 - . Trace all reconciling items greater than \$50,000 and a sample of other items to supporting documentations.
6. Review the aging of accounts receivable as of April 16, 1982 as follows:
 - A. The members accounts receivable system is a balance forward system whereby cash receipts are applied to the oldest balances first. Aging is based on monthly billing dates.
 - . Reconcile the balance of the aged listing to the subsidiary ledger
 - . Select 25 member accounts and agree selected invoice, cash receipt and billing dates from the aging to supporting documents.
 - B. The customer accounts receivable system matches payments to specific invoices.
 - . Reconcile the balance of the aged listing to the subsidiary ledger
 - . Select 25 customer accounts and agree selected invoice dates from the aging to the invoices.
7. Review other accounts receivable as of April 16, 1982 (listed in Exhibit B of the Asset Purchase and Sale Agreement) as follows:
 - . Obtain detail supporting schedules and test mathematics
 - . Trace all individual amounts in excess of \$50,000 and a selected sample of other amounts to supporting documentation.

Marketing Inventories:

1. Obtain from the Washington State Department of Agriculture the results of physical observations as of April 16, 1982 of grain, bean and seed inventory in bonded warehouses.
2. Test reconciliation of physical inventories to WFA's books.
3. Test 50% of the pounds "in transit" to supporting documentation.
4. Test pricing and consistency of application in pricing policies by reviewing selected supporting documentation.
5. Summarize any unresolved pricing differences and calculate an aggregate error rate. The aggregate error rate will be applied to the related inventory population and an adjustment made.
6. Test mathematical accuracy of schedules.

Supply Inventories:

1. Make test counts or assign WFA internal auditors to make test counts as of the "possession date" at locations representing approximately 50% of total supply inventory.
2. Trace auditors test counts to WFA inventory records, identify differences and review WFA's resolution thereof. Any unresolved exceptions will be summarized and an aggregate error rate calculated. The aggregate error rate will be applied to the related inventory population and an adjustment made.
3. Review internal audit's test of lower of first-in first-out cost or market pricing of the 40 largest items (in dollars) and approximately 25 additional items selected by us.
4. Summarize any unresolved pricing differences and calculate an aggregate error rate. The aggregate error rate will be applied to the related inventory population and an adjustment made.
5. Test mathematical accuracy of schedules.

Advance Payments on Purchases:

1. Agree detail schedule to WFA's books.
2. Test approximately 25% of advance payment dollars to payment documentation and refer to checking sheet to determine that goods were not received prior to April 16, 1982.
3. Test mathematical accuracy of schedules.

Prepaid Expenses and Deferred Charges (listed in Exhibit E of the Asset Sale and Purchase Agreement):

1. Agree detail schedule to WFA's books.
2. Trace items aggregating approximately 50% of the balance at April 16, 1982 to supporting documentation.
3. Test mathematical accuracy of schedules.

Investments in other Cooperatives (listed in Exhibit F of the Asset Sale and Purchase Agreement):

1. Agree detail schedule to WFA's books.
2. Review results of confirmations sent out by WFA in-house counsel as of December 31, 1981 and examine activity from December 31, 1981 to April 16, 1982.
3. Test mathematical accuracy of schedules.

EXHIBIT "J"

Schedule of Permitted Exceptions to Title of
Assets to be Acquired by CENEX

Rights reserved in federal patents or state deeds, building or use restrictions general in the district in which the assets are situated, and applicable building or zoning regulations or provisions shall not be considered encumbrances and defects.

EXHIBIT "K"

Legal Descriptions of Owned Real
Estate

WESTERN FARMERS ASSOCIATION OWNED REAL PROPERTY

1. AUBURN, WASHINGTON - COUNTY OF KING

Parcel A: Lots One (1), Two (2), Three (3), Four (4), and Five (5), in Block 5 of Meade's First Addition to Slaughter, as per plat recorded in Volume 4 of Plats, page 25, records of King County; situate in the City of Auburn.

Statutory Warranty Deed - Chevron USA, Inc., recorded August 19, 1977.

Parcel B: Lots One (1) to Eleven (11) inclusive, Block 4, Meade's First Addition to Slaughter, according to plat thereof recorded in Volume 4 of Plats, page 25, records of said County; Excepting therefrom a right-of-way 16 feet wide for a spur for the Northern Pacific Railway Company, running in a northwesterly and southeasterly direction through said lots.

Deed - Spokane Bank for Cooperatives, recorded June 30, 1951

Parcel C: Lot Eight (8), Block C, Linn's Green Tracts to Auburn, according to the plat recorded June 12, 1902, in Volume 10 of Plats, page 13, records of King County, Washington; Subject to easement over the easterly 7.3 feet thereof as right-of-way for railroad purposes.

Statutory Warranty Deed - Hilda Norman, recorded January 29, 1953.

2. BELLINGHAM, WASHINGTON - COUNTY OF WHATCOM

Parcel A: A parcel of land in Government Lot Four (4), Section 13, Township 35 North, Range 3 East, W. M., Whatcom County, Washington, as described as follows: Beginning at a point on the easterly line of Guide Meridian Road, which point is 25 feet northwesterly as measured at right angles from the centerline of the Railroad's main track; thence northerly along said easterly line 300 feet; thence easterly at right angles 300 feet; thence southerly at right angles to a point 50 feet northwesterly as measured at right angles from said track centerline; thence southwesterly parallel to said track centerline to the point of beginning.

Quit Claim Deed - Chicago, Milwaukee, St. Paul and Pacific Railroad Company recorded December 18, 1967.

3. BRUSH PRAIRIE, WASHINGTON - COUNTY OF CLARK

Parcel A: Lots Two (2), Three (3), Four (4), Five (5), Six (6) and Seven (7), Wells Plat of Brush Prairie, according to the plat thereof, recorded in Volume 1 of Plats, page 23, records of said County; EXCEPT the southeasterly 199 feet of Lots Six (6) and Seven (7), more particularly described as follows: Beginning at a point on the north line of Secondary State Highway 1-U that is the most southerly corner of Lot Five (5); thence north $44^{\circ}15'$ west along the northwesterly line of said Lot Six (6), 100 feet; thence south $45^{\circ}45'$ west 300 feet to the southwesterly line of said Lot Seven (7); thence south $44^{\circ}15'$ east 100 feet to the most southerly corner of said Lot Seven (7); thence north $45^{\circ}45'$ east along the north line of said State Highway, 199 feet to the point of beginning. ALSO that portion of the vacated 20-foot road contiguous with an adjoining the north line of said premises, lying between the northerly extension of the easterly line of said Lot Two (2) and the westerly line of said Lot Seven (7).

Statutory Warranty Deed - E.C. and Vena Clouston, recorded May 15, 1953.

4. CHEHALIS, WASHINGTON - COUNTY OF LEWIS

Parcel A: That portion of Lots One (1) and Eight (8), Block 3, Eliza Barrett's Addition to the City of Chehalis, Lewis County, Washington, lying westerly, of a line 25 feet westerly as measured at right angles from the centerline of the Grantor's main track as now there established.

ALSO, The Grantor's right, title and interest in the vacated alleys in said Block 3 lying westerly of a line 25 feet westerly, as measured at right angles from said main track centerline.

ALSO, that portion of Lot Two (2), said Block 3, described as follows: Beginning at a point on the south side of said Lot Two (2) which is 50 feet westerly, as measured at right angles from said main track centerline; thence northeasterly parallel to said centerline to a point on the east line of said Lot Two (2); thence southerly along said east line to the southeast corner of said Lot Two (2); thence westerly along said southerly line to the point of beginning.

Warranty Deed - Abbie C. Hanson, recorded April 16, 1964.

Parcel B: That portion of Centre Street, as vacated by Ordinance 66-A, dated April 6, 1919, lying westerly of a line parallel to and 25 feet westerly as measured at right angles from the centerline of the Chicago, Milwaukee, St. Paul and Pacific Railroad Company's main track, and lying easterly of the following described line: Beginning at a point in the south line of Block 3, Eliza Barrett's Addition, distant 29 feet easterly from the southwest corner of Lot Two (2) in Block 3; running thence southwesterly in direct line across Centre Street to a point in the north line of Block 4 of City Garden Addition to the City of Chehalis, distant 17 feet easterly from the northwest corner of Lot One (1), in Block 4, together with the existing railroad track located thereon.

Statutory Warranty Deed - Bertha M. Clark, recorded April 16, 1964.

Parcel C: Lots Two (2) and Three (3), Block 3; EXCEPT that portion of Lot Two (2) lying within the Puget Sound and Willapa Harbor Railway Company right-of-way, Eliza Barrett's Addition to Chehalis, in Lewis County, Washington.

Quit Claim Deed - Chicago, Milwaukee, St. Paul & Pacific Railroad Company recorded November 18, 1964.

Parcel D: Lot Four (4), Block 3, Eliza Barrett's Addition to the City of Chehalis, Lewis County, Washington.

Special Warranty Deed - Public Utility District No. 1 of Lewis County, recorded October 3, 1969.

Parcel E: Lots Five (5), Six (6) and Seven (7), in Block 3, of Eliza Barrett's Plat - Chehalis, Lewis County, Washington.

Quit Claim Deed - Chicago, Milwaukee, St. Paul & Pacific Railroad Company recorded September 24, 1968.

Parcel F: Vacated south half of Centre Street adjacent to Lot Fourteen (14), Block City Garden Addition to the City of Chehalis; RESERVING to the Grantor the right maintain, repair, replace and operate the electric distribution line along the 500 right-of-way line of the vacated south one-half of Centre Street until such time as the District abandons and removes said line or until the removal of the line is requested by the property owner and the District reimbursed for the costs of moving.

Quit Claim Deed - Chicago, Milwaukee, St. Paul & Pacific Railroad Company recorded June 17, 1970.

Parcel G: The westerly 39 feet of Lots Five (5) and Six (6) and the westerly 38 feet of Lots Seven (7) and Eight (8), together with the westerly 38 feet of the vacated alley

all in Block 11, Leta Barrett's Addition to the City of Shadle, Lewis County, Washington; together with that portion of Vacated Rhode Island Avenue adjacent the westerly side of said Block 5 and lying east of a line 70 feet easterly as measured at right angles from the centerline of the Chicago, Milwaukee, St. Paul and Pacific Railroad Company's main track as now established.

Quit Claim Deed - Chicago, Milwaukee, St. Paul & Pacific Railroad Company, recorded March 13, 1969.

The Grantee, its successors and assigns, by acceptance of this deed, hereby covenants and agrees it will not construct any tanks for storage of petroleum or petroleum products or other inflammable liquids or gases closer than 30 feet from the westerly property line of the above described land. The Grantee also covenants and agrees that in the event such tanks are installed, it will also provide adequate diking around the tanks to comply with State and local regulations and also to protect the Grantor's remaining adjoining land.

Except as otherwise herein provided, this conveyance is subject to all existing rights-of-way and easements, whether or not of record, and to all encumbrances, exceptions and reservations of record, and the Grantor reserves to itself, its successor and assigns, all minerals of any nature whatsoever including, but not exclusively, coal, iron, natural gas and oil, which may be in or upon said described lands, together with the sole, exclusive and perpetual right to explore for and dispose of said minerals by any means or methods suitable to the Grantor, its successors and assigns, but without entering upon or using the surface of said lands and in such manner as not to damage the surface of said lands or to interfere with the use thereof by the Grantee, its successors or assigns.

5. CHIMACUM, WASHINGTON - COUNTY OF JEFFERSON

Statutory Warranty Deed - Stephen Hall Bishop and Kathleen Adams Bishop, recorded September 25, 1956.

A portion of Government Lot Four (4), and a portion of R. S. Robinson Donation Claim in Section 14, Township 29 North, Range 1 West of the Willamette Meridian, describe as follows: Beginning at a point on the north line of said R. S. Robinson Donation Claim, said point being south 89° 58' west 1,046 feet from the northeast corner of said Donation Claim; thence north 0° 02' west 261.8 feet to the south right-of-way line of the County Road; thence north 89° 16' west along said right-of-way, 300 feet; thence south 0° 02' east 300 feet; thence south 89° 16' east 300 feet; thence north 0° 02' west 38.2 feet to the point of beginning, containing 2.07 acres, more or less.

6. EVERETT, WASHINGTON - COUNTY OF SNOHOMISH

Treasurer's Deed #2284, Verne Sievers, recorded July 21, 1943.

Statutory Warranty Deed, John F. and Aletta R. Lelund, recorded August 30, 1943:

Lots One (1), Two (2), Three (3), Four (4), Five (5), Six (6), Seven (7), Eight (8), Nine (9), Ten (10), Eleven (11), Twelve (12), Block 699, Swatwell's First Addition to Everett according to plat thereof recorded in Volume 2 of Plats, page 103, records of said county.

Together with any rights reserved in deed dated June 9, 1919, recorded June 13, 1919, in Volume 162 of Deeds, page 599, records of Auditor of Snohomish County, Washington, and subject to the rights granted in said instrument now held of record by Lee Grocery Company, a Washington corporation, and also subject to release recorded September 30, 1933 in Volume 284 of Deeds, page 234, records of said Snohomish County, Washington.

7. EVERETT, WASHINGTON - COUNTY OF SNOHOMISH

Special Warranty Deed - Atlantic Richfield Company, recorded May 3, 1975.

Those portions of Lots One (1), Two (2), Three (3), Four (4), Five (5) and Six (6), Mo 662, Plat of Everett, according to plat thereof recorded in Volume 5 of Plats, page 1 records of Snohomish County, Washington, lying southwesterly of a line parallel with and distant 12 feet southwesterly, measured at right angles from the centerline of a "Freight House Track" of the Northern Pacific Railway Company as the same is now constructed and operated over, and across said Block 662.

8. GRANGER, WASHINGTON - COUNTY OF YAKIMA

Parcel A: Lots Five (5) and Six (6), Block 602; Lots One (1), Two (2) and Three (3) Block 702; and Lots Ten (10) and Eleven (11), and the northwesterly 55 feet of Lot Twelve (12) in Block 602, and that portion of vacated Mentzer Avenue and vacated unnamed street lying westerly of Block 702, and vacated alley in Block 602 accruing thereto by reason of said vacation, all in Commercial Addition to Granger, Washington, according to the official plat thereof recorded in Volume C of Plats, page 12, records of Yakima County, Washington.

Statutory Warranty Deed - Westfair Corporation, recorded February 11, 1958.

ALSO, a piece of land containing 28/100 of an acre, more or less, being all that part of the "North Coast Railroad Right of Way and Station Grounds" as shown on a recorded plat of the First Addition to the Town of Granger, Revised Plat, and vacated Mentzer Avenue, according to the recorded plat of said addition, more particularly described as follows: Beginning at a point on the south line of Bailey Street, distant 153.73 feet easterly from the intersection of said south line Bailey Street with a northeasterly line of Railroad Avenue, said point also being 50 feet northeasterly from, measured at right angles to the centerline of the main track of the railroad the O.W.R. & N. Co. as constructed and operated on February 5, 1921; then southeasterly parallel to and 50 feet northeasterly from said centerline a distance 339.45 feet; thence northwesterly along the westerly line of an unnamed vacant street, and said westerly line extended southeasterly, a distance of 296.65 feet to point on said south line of Bailey Street; thence west along said south line of Bailey Street a distance of 88.58 feet to the point of beginning.

Quit Claim Deed - Centennial Mills, Inc., recorded February 11, 1958.

Parcel B: That portion of the easterly 74 feet of vacated Yakima Avenue 1/2 between Lots Two (2) and Three (3) in Block 502 of Commercial Addition to Granger, Washington, according to the official plat thereof recorded in Volume C of Plats, page 12, records of Yakima County, Washington.

Statutory Warranty Deed, John J. and Martha C. Mock, recorded June 27, 1958.

Parcel C: Lots One (1) through Nine (9) inclusive, and that part of Lots Twelve (12) and Thirteen (13) which lie southerly of a line which is the southerly line of Lot 1 (10) extended westerly to the west line of Block, all in Block 602, Commercial Addition to Granger, Washington, according to the official plat thereof recorded in Volume C of Plats, page 12, records of Yakima County, Washington, subject easements and restrictions of record.

Quit Claim Deed, S. L. and Mabel E. Edwards, recorded June 27, 1958.

Parcel D: All of Lots One (1), Two (2), Three (3) and Four (4) in Block 50 Commercial Addition to Granger, EXCEPT that part described as follows: Beginning at a point on the northwesterly line of Sunnyside Avenue, a distance of 50 feet northeasterly from, measured at right angles to the northeasterly boundary of the right-of-way of the Oregon-Washington Railroad & Navigation Company; thence northwesterly and parallel to said right-of-way boundary, a distance of 150 feet thence at right angles northeasterly a distance of 60 feet; thence at right angles northwesterly a distance of 110 feet; thence at right angles southwesterly a distance of 50 feet; thence at right angles northwesterly a distance of 80 feet; thence at right angles northeasterly a distance of 50 feet; thence at right angles northwesterly a distance of 110 feet; thence at right angles southwesterly a distance of 40 feet thence at right angles northwesterly a distance of 150 feet to the southeasterly line of Zillah Avenue; thence at right angles southwesterly a distance of 50 feet to the northeasterly boundary of the right-of-way of the Oregon-Washington Railroad & Navigation Company; thence southeasterly along said right-of-way boundary a distance of 600 feet to the northwesterly line of said Sunnyside Avenue; thence at right angles northeasterly a distance of 50 feet to place of beginning.

Statutory Warranty Deed - Upper Columbia Mission Society of Seventh D. Adventists, recorded November 24, 1961.

Subject to L.I.D. #1 Assessment, Irrigation District and Water Assessments.

9. HILLSBORO, OREGON - COUNTY OF WASHINGTON

Warranty Deed, Tsatayin Valley Cooperative, recorded September 4, 1959.

Parcel A: Lots One (1), Two (2), Three (3) and Four (4), Block 4, Tongue's Addition to Hillsboro, in Washington County, Oregon, and that part of the vacated alley, 20 feet wide, adjoining on the south that inures to said lots by reason of vacation of said alley.

Parcel B: Beginning 30 feet north and 3 1/2 feet west of the intersection of the centerline of North Range Street and Washington Street in the City of Hillsboro Washington County, Oregon, running thence north 209.76 feet; thence west 239.7 feet; thence south 125.67 feet to the north line of Washington Street; thence east 237.32 feet to the place of beginning.

LESS the following described property: A 20 foot wide curved strip of land situated in the southeast 1/4 of the southeast 1/4 of Section 36, Township 1 North, Range 3 West of the Willamette Meridian, Washington County, Oregon, said strip of land being 1 feet on either side of the following Southern Pacific-Oregon Electric Interchange connecting track centerline as staked on the ground: Beginning at the center of the intersection of Adams Street (formerly Range Street) and Washington Street; thence north $89^{\circ}09'$ west 314.77 feet, along the centerline of Washington Street to a point on a 309.67 foot radius curve to the left; thence along said radius curve to the left, the long chord of which bears north $77^{\circ}34'43''$ east 142.35 feet, a distance of 143.01 feet to a point on the north line of Washington Street and the true point of beginning for this description; thence continuing along said radius curve to the left, the long chord of which bears north $44^{\circ}50'35''$ east 206.19 feet a distance of 206.29 feet to a point on the west boundary of Adams Street and the end of this centerline description.

ALSO, a triangle shaped piece of land lying southerly from the above described curved strip of land situated in the southeast 1/4 of the southeast 1/4 of Section 36, Township 1 North, Range 3 West, Willamette Meridian, Washington County, Oregon, more particularly described as follows: Beginning at the center of the intersection of Adams Street (formerly Range Street) and Washington Street; thence north $89^{\circ}09'$ west 314.7 feet, along the centerline of Washington Street to a point on a 309.67 foot radius curve to the left; thence along said radius curve to the left, the long chord of which bears north $77^{\circ}34'43''$ east 142.35 feet, a distance of 143.01 feet, to a point on the north line of Washington Street and the true point of beginning for this description; thence continuing along said radius curve to the left, the long chord of which bears north $44^{\circ}50'35''$ east 206.19 feet, a distance of 206.29 feet to a point on the west boundary of Adams Street; thence southerly along said west line of Adams Street 148.12 feet to an iron rod; thence north $89^{\circ}08'$ west along the north boundary line of Washington Street 143.21 feet to the true point of beginning.

10. LAWRENCE, (EVERTSON), WASHINGTON - COUNTY OF WHATCOM

Warranty Deed, Louise C. Antone, recorded September 29, 1967.

Warranty Deed, B. and Violet Lund and Jack and Lucille Ruthly, recorded December 7 1967.

Warranty Deed, Wayne and Garrit, recorded January 12, 1979.

Parcel A: Tract of land located in the southwest quarter of the northeast quarter of Section 21, Township 39 north, Range 4 east of W.M., bounded as follows, to-wit: Beginning at a point on the southwesterly line of the right of way of the Northern Pacific Railway Company 42 feet, more or less, northwesterly from the point of intersection of the said right of way line with the west line of county road No. 243, at the same is now located, said point of beginning being marked by an iron bar set in concrete; thence north 44° 0' 26" west, along said right of way line, 163 feet, thence west along the north line of the south half of the northeast quarter of section 21 aforesaid to a point which is 12 feet distant southwesterly from, measured at right angles to the southwesterly margin of the right of way of the Northern Pacific Railway Company; thence south 25° 6' east 123.3 feet; thence south 58° 18' east 2 feet, thence south 36° 24' east 24 feet; thence north 25° 41' east 30.4 feet to the point of beginning.

Also beginning at a point on the east and west center line of the northeast quarter of said Section 21, 63.2 feet west of the point of intersection of said line with the southwesterly line of the Northern Pacific Railway Company right of way, thence south 17° west 40 feet more or less, to the northeasterly side line of the county highway; thence westerly along said highway line to the west end of the curve in said line; thence east along the center line of the northeast quarter of said Section 21, 1.1 feet more or less to the point of beginning, all except roads, situate in Whatcom County, Washington.

Parcel B: That portion of the northwest quarter of the northeast quarter of Section 21, Township 39 North, Range 4 East of W.M., described as follows:

Beginning at the intersection of the south line of said northwest quarter of a northeast quarter with the southwesterly line of the Northern Pacific Railway right-of-way; thence northwesterly, along the southwesterly line of said railway right-of-way, 726 feet; thence southwesterly, at right angles to the southwesterly line of said railway, right-of-way, to the northerly line of Lawrence Road, also known as St. Highway No. 9; thence easterly along northerly line of said state highway, to the south line of the northwest quarter of the northeast quarter of said Section 21; thence easterly along said south line to the point of beginning, LESS roads, situated in Whatcom County, Washington.

11. LONGVIEW, WASHINGTON - COUNTY OF COWLITZ

Special Warranty Deed, The National Bank of Commerce, recorded February 21, 194

Lots 4, 5, 6, and 7 and Block 71, Plat of Longview Number 2. Subject to license easements and restrictions of record.

12. LYNDEN, WASHINGTON - COUNTY OF WHATCOM

Warranty Deed, Frank and Ethel Hawley, recorded October 18, 1943.

Warranty Deed, Mt. Baker Post #1, American Legion, recorded June 23, 1956.

Warranty Deed, Joseph H. and Rosa Shaap, recorded October 3, 1943.

Warranty Deed, Whatcom County Dairy Association, recorded February 27, 1936.

Warranty Deed, R. L. and Irene Hawley, recorded December 1, 1946.

Warranty Deed, James D. and Edna E. Lytle, recorded December 11, 1922.

Warranty Deed, John W. and Delilah E. Scott, recorded October 23, 1919.

Warranty Deed, R. E. and Ida Irene Hawley and Frank and Ethel Hawley, recorded August 8, 1921.

Warranty Deed, R. E. Hawley and Irene Hawley, Lida H. and H. C. Berthinsen, recorded November 24, 1920.

Quit Claim Deed, R. E. and Irene Hawley, Lida and H. C. Berthinsen, recorded November 24, 1920.

Parcel B: The north 25 feet of the east 30 feet of Lot Seven (7) and the north 25 feet of the west 35 feet of Lot Eight (8), all in Block 25, Hawley's Addition to Lynden, per the map thereof, recorded in Book 1 of Plats, page 87, in the Auditor's office of Whatcom County, Washington; also, a perpetual right-of-way over and upon the east 25 feet of the east 75 feet of said Lot Eight (8), Block 25, Hawley's Addition to Lynden.

Parcel C: The north 60 feet of the east 35 feet of Lot Nine (9), and the north 60 feet of Lots Ten (10) and Eleven (11) and Twelve (12), Block 25, Hawley's Addition to Lynden, Whatcom County, Washington, per the map thereof, recorded in Book 1 of Plats, page 87, in the Auditor's office of said county and state. LESS the following property:

The northerly 36.5 feet of the easterly five feet of Lot Twelve (12), Block 25, Hawley's Addition to Lynden, Whatcom County, Washington, per the map thereof, recorded in Book 1 of Plats, page 87, in the Auditor's office of said county and state.

Parcel D: The north 70 feet of Lot Thirteen (13) and the east 15 feet of the north 70 feet of Lot Fourteen (14) in Block 25 of Hawley's Addition to Lynden.

Parcel E: Lot Thirteen (13) except the north 70 feet thereof; Lot Fourteen (14) except the east 15 feet of the north 70 feet; and east 17 feet of Lot Fifteen (15) all in Block 25 according to Hawley's Addition to Lynden.

Parcel F: Lot Sixteen (16) and the west 10 feet of Lot Fifteen (15) of Block 25 of Hawley's Addition to Lynden, according to the recorded plat thereof, EXCEPT the west 15 feet of said Lot Sixteen (16) said Block 25 said Hawley's Addition to Lynden heretofore conveyed to the Town of Lynden, Washington, for street purposes.

Parcel G: The west 35 feet of Lot Seventeen (17), all of Lots Eighteen (18) and Nineteen (19), and the east 20 feet of Lot Twenty (20), all in Block 25 of Hawley's Addition to Lynden, according to the recorded plat thereof.

Parcel H: Lot Four (4), Block 32, Hawley's Addition to Lynden, per the map thereof recorded in Book 1 of Plats, page 87, in the Auditor's office of said county and state; also the north half of vacated Pine Street abutting on said lot and the south half of vacated alley in said block abutting on said lot Four (4).

SUBJECT to an easement to School District Number 309 to lay and maintain a steam pipe, recorded in Volume 207 of Deeds, page 282, records of Whatcom County.

As a condition to this conveyance, and a covenant running with the land, the Grantor agrees that whenever title to the south half of vacated Pine Street abutting on Lot Twenty-One (21), Block 25, of Hawley's Addition to Lynden, shall be conveyed to the City of Lynden for street purposes, or re-dedicated as a public street, and Pine Street shall be re-opened as a public street or thoroughfare for its full width as original platted extending east and west for the entire length of Block 32 and so as to intersect with the cross streets, then the Grantee agrees that it will convey to the Town of Lynden the north half of vacated Pine Street abutting on Lot Four (4), Block 32, above described, for street purposes, or will join in any re-dedication necessary to open said vacated strip as a public street or thoroughfare.

Parcel I: All of Lot Five (5) and the west 40 feet of Lot Six (6) in Block 32, Hawley's Addition to Lynden, per the map thereof, recorded in Book 1 of Plats, page 87, in the Auditor's office of Whatcom County, Washington, situated in Whatcom County.

13. LYNDEN, WASHINGTON, PETROLEUM - COUNTY OF WHATCOM

Warranty Deed from Herman and Harriette Neach, recorded December 10, 1901.

A tract of land situated in Government Lot 1, Section 30, Township 40 North, Range 3 East of W.M., more particularly described as follows:

Beginning at the intersection of the east line of the Guide Meridian Road and the south line of the Kok Road; thence east along the south line of the Kok Road 125 feet to a point; thence thence south parallel to the Guide Meridian Road 175 feet; thence west parallel to the south line of the Kok Road 125 feet to the east line of the Guide Meridian Road; thence north 175 feet to the point of beginning.

14. MEDFORD, OREGON - COUNTY OF JACKSON

Beginning at a point on the south line of Block 1 of Elrhman Warehouse Industrial District, Jackson County, Oregon, which point bears north $39^{\circ}55'$ west along the south line thereof, 400.0 feet; thence north $0^{\circ}05'$ east 260.0 feet; thence south $39^{\circ}55'$ east 400.0 feet; thence south $0^{\circ}05'$ west 260.0 feet to the point of beginning. All easements for the installation and maintenance of water lines and railroad tracts over the across the following: Beginning at a point on the northeasterly line of Block 1 of the Elrhman Warehouse Industrial District, in Jackson County, Oregon, which point bears north $33^{\circ}08'$ west, 200.0 feet from the southeast corner of said block; thence along the arc of a 246.17 feet radius curve to the left (the long chord of which bears north $61^{\circ}09'$ west, 100.55 feet) a distance of 190.92 feet; thence north $0^{\circ}05'$ east, 26. feet, more or less, to the northeasterly line of said block; thence south $33^{\circ}08'$ east along said block line, 155.0 feet, more or less, to the point of beginning.

SUBJECT to easement for installation and maintenance of water line recorded Volume 428, Page 335, of Deed Records of Jackson County, Oregon.

15. MONTESANO, WASHINGTON - COUNTY OF GRAYS HARBOR

Lots One (1), Two (2), Three (3) Four (4) and Five (5) in Block 1, of Mace, Talbert Magilla Addition to C. N. Byles Plat of Montesano, except west 10 feet for site, County of Grays Harbor, Washington, according to plat thereof recorded in Volume of Plats, page 10, records of said county.

16. MOSES LAKE, WASHINGTON - COUNTY OF GRANT

Warranty Deed, Desla S. Bennion and Edna E. Bennion, recorded July 1, 1959.

That portion of Farm Unit 86, Fourth Revision of Irrigation Block 41, Columbia B. Project, per plat filed August 10, 1955, records of Grant County, Washington described as follows: Beginning at the northwest corner of said Farm Unit 86, which also the northwest corner of Section 21, Township 19 North, Range 29 E.W.M., thence south $60^{\circ}24'49''$ west along the west line thereof, a distance of 635 feet; thence so $39^{\circ}06'27''$ east parallel to the north line of said Section 21; a distance of 360 feet thence north $60^{\circ}24'49''$ east 635 feet to the north line of said section 21; thence north $39^{\circ}06'27''$ east 635 feet to the north line of said Section 21; thence north $39^{\circ}06'$ west 360 feet to the true point of beginning.

All existing rights-of-way of record including those for railroads, roads, and canals. Also subject to a right-of-way 32 feet wide for the purpose of extending a fire railroad track from the present tracks to the north southerly to the property to the south. Said easement to be at no point closer than 650 feet from the west boundary of this parcel of land.

Except Lots One (1), Two (2) and Three (3) of Short Plat, recorded in Volume 1 of Short Plats, page 6, records of Grant County, Washington, also described as follows:

A portion of land in the northwest quarter of Section 21, Township 19 North, Range E.W.M., Grant County, Washington, and easement of record.

17. MOSES LAI - WASHINGTON, PETROLEUM - COUNTY OF GRANT
(Purchase Contract, see Schedule B-A, b)

All of Phillips Petroleum Plat No. 1, per plat recorded in Volume 7 of Plats, page 82, records of Grant County, Washington.

Reservation by Milwaukee Land Company of all minerals of any nature whatsoever including, but not exclusively, coal, iron, natural gas and oil, which may be in or upon said described lands, together with the sole, exclusive and perpetual right to explore for and dispose of said minerals by any means or methods suitable to the Grantor, its successors and assigns, but without entering upon or using the surface of said lands and in such manner as not to damage the surface of said lands or to interfere with the use thereof by the Grantee, its successors or assigns. Also covenants as to "building main line," type and size of structure and spot track expense contained in the deed of Phillips Petroleum Company dated April 22, 1960, filed May 2, 1960, under Auditor's File No. 363438.

18. MOUNT VERNON, WASHINGTON - COUNTY OF SKAGIT

Warranty Deed, Standard Oil Company of California, recorded February 1, 1961
July 2, 1949.

Warranty Deed, E. B. Olmsted, recorded January 31, 1947.

Warranty Deed, Virginia Weiss, recorded February 18, 1949.

That portion of the southwest quarter of the southwest quarter of Section 17 Township 36 North, Range 4 East, W.M., described as follows:

Beginning at the southwest corner of said southwest quarter of the southwest quarter thence south $89^{\circ}23'30''$ east along the south line of said subdivision a distance of 200.00 feet; thence north $0^{\circ}58'00''$ east parallel to the west line of said subdivision, a distance of 30.00 feet to a point on the north line of that city street known as Fir Street thence south $89^{\circ}23'30''$ east along the north line of said Fir Street a distance of 176.1 feet to the true point of beginning of this description; thence north $0^{\circ}38'10''$ east along a line which is parallel to and 0.43 feet easterly of the east edge of an existing concrete retaining wall, a distance of 400.43 feet to a point 10.00 feet easterly of an at right angles to the centerline of the existing spur line to Western Farmer Association; thence northerly on a curve to the right, parallel to the centerline of said existing spur line to the Western Farmers Association and 10.00 feet distant therefrom, said curve having a degree of curvature of $12^{\circ}46'46''$ and a radius of 449.2 feet, an arc distance of 300.92 feet to a point on the north line of that tract designated as tract "B" and conveyed to the Washington Co-Operative Farmer Association by that instrument dated May 31, 1949, and recorded July 2, 1949, under auditor's file no. 433464; thence north $68^{\circ}40'$ east a distance of 2.99 feet; thence south $65^{\circ}40'$ west 404.34 feet; thence south $44^{\circ}08'$ east 172.75 feet; thence north easterly on a $13^{\circ}22'$ curve to the left parallel to the center line of a proposed spur or 10 feet northwesterly thereof to a point 40 feet distant at right angles to the initial south $44^{\circ}08'$ east course of this parcel; thence south $44^{\circ}08'$ east to a point 10 feet southeasterly measured at right angles to the center line of the existing Standard Oil Co. spur; thence southwesterly on a $11^{\circ}49'$ curve to the right and parallel to said spur 81.95 feet; thence south $45^{\circ}48'20''$ east 45.45 feet; thence south $45^{\circ}26'10''$ west 172.0 feet; thence south $0^{\circ}58'$ east 202.48 feet; thence south $89^{\circ}23'30''$ east to point of beginning, subject to easements of record.

Together with right-of-way and easements as follows:

1. That portion of that certain parcel of land described in deed from John Wrig and Minnie Wright, his wife, to Standard Oil Company, predecessor in interest Standard Oil Company of California, dated March 14, 1919, and recorded August 6, 1919, in Volume 114 of Deeds, at page 411, Records of Skagit County Washington, which lies southerly and westerly of the southwesterly boundary lines and their prolongations of Tract A and B, as said tracts are described in that certain deed from Standard Oil Company of California to Washington Co-Operative Farmer's Association, dated May 31, 1949, and recorded July 2, 1949, in Volume 236 of Deeds, at page 757, under Auditor's File No. 433464, Records of said Skagit County.
2. Said road shall be constructed within a strip of land 30 feet wide, the southeasterly boundary line of which is parallel with and 10 feet northwesterly measured at right angles from the center line of the existing spur track and southwesterly prolongation, extending from the westerly to the northeasterly boundary line of the above described parcel of land.

From the section corner common to Sections 17, 18, 19 and 20, Township 34 North Range 4 East, Willamette Meridian, thence south $27^{\circ}23'46''$ east along the section line common to Sections 17 and 20 for a distance of 200.6 feet; thence north $0^{\circ}05'$ East parallel to the west line of said Section 17 and 20 for a distance of 202.43 feet to an intersection with a diagonal line bisecting the southwest quarter of said Section 17 from the southwest to the northeast corners thereof; thence north $42^{\circ}26'10''$ east along said bisecting line for a distance of 177.57 feet; thence north $44^{\circ}03'$ west a distance of 51.23 feet to the true point of beginning of this description; thence north $44^{\circ}03'$ west a distance of 79.44 feet; thence northeasterly on a $15^{\circ}52'$ curve to the left, parallel to the centerline of a proposed spur and 10 feet northwesterly thereof to a point 40 feet distant at right angles to the initial north $44^{\circ}03'$ west course of this parcel; thence south $44^{\circ}03'$ east to a point 10 feet southeasterly measured at right angles to centerline of the existing Standard Oil Company of California spur; thence south westerly on an $11^{\circ}45'$ curve to the right and parallel to said spur to the true point of beginning.

From the section corner common to Sections 17, 18, 19 and 20, Township 34 North Range 4 East, Willamette Meridian, thence north $0^{\circ}58'$ east along the section line common to Section 17 and 18 a distance of 279.41 feet; thence north $65^{\circ}40'$ east for a distance of 447.1 feet to the true point of beginning; thence north $65^{\circ}40'$ east a distance of 46.9 feet; thence southwesterly on a $12^{\circ}15'$ curve to the left, parallel and 10 feet southeasterly of the centerline of the Great Northern Railway railroad

spur into the Standard Oil Company of California plant, to a point which bears south $44^{\circ}03'$ east from the point of beginning; thence north $44^{\circ}03'$ west to the true point of beginning.

19. OAK HARBOR, WASHINGTON -- COUNTY OF ISLAND

Warranty Deed, Leo Eldon and Jessie H. Ely, recorded July 30, 1954.

Lots Six (6), Seven (7) and Eight (8). Lots Twenty-three (23), Twenty-four (24) and Twenty-five (25), EXCEPT the east 120 feet thereof, together with a vacated alley adjoining said lots. All in Ely's Westside Addition to the City of Oak Harbor.

20. OLYMPIA, WASHINGTON -- COUNTY OF THURSTON

Warranty Deed, Capitol Center, Inc., recorded February 11, 1953.

Deed, Union Pacific Railroad Company, recorded March 3, 1953.

The east 200 feet of Block 36, Swan's Addition to the Town of Olympia, according to the plat thereof recorded in Volume 1 of Plats, page 37, records of said county. Together with the south 50 feet of vacated 9th Avenue adjacent on the north, and together with the north half of vacated 10th Avenue adjacent on the south.

Parcel 1: That portion of the westerly 100 feet of Block 36 of Swan's Addition to Olympia as recorded in Volume 1 of Plats, page 37, lying easterly of a line parallel with and 9.5 feet easterly from the centerline of Track No. 40 of Oregon-Washington Railroad & Navigation Company, in City of Olympia, Thurston County, Washington.

Parcel 2: Those portions of the southerly 50 feet of vacated street adjoining said westerly 100 feet of Block 36 on the north and of the northerly 50 feet of vacated street adjoining said westerly 100 feet of Block 36 on the south, that lie easterly of line parallel with and 9.5 feet easterly from said centerline of Track No. 40 in City of Olympia, Thurston County, Washington.

EXCEPTING from this conveyance and reserving unto the grantor, its successors and assigns forever, both as to said Parcel 1 and said Parcel 2, all minerals and all mineral rights of every kind and character now known to exist or hereafter discovered including, without limiting the generality of the foregoing, oil and gas and right thereto, together with the sole, exclusive and perpetual right to explore for, remove and dispose of said minerals by any means or methods suitable to the grantor, its successors and assigns, but without entering upon or using the surface of the land hereby conveyed, and in such manner as not to damage the surface of said lands or interfere with the use thereof by the grantor, its successors or assigns.

This conveyance is subject to exceptions and reservations contained in deed from Oregon-Washington Railroad & Navigation Company to the grantor conveying the above described real property, which exceptions and reservations are identical with the foregoing.

EXCEPT the northerly 50 feet of the southerly 50 feet of vacated 9th Avenue lying northerly of Block 36, Swan's Addition to Olympia, and easterly of a line running parallel with and 9.5 feet easterly of the centerline of Track 44 of Oregon-Washington Railroad & Company and easements of record.

21. OTHELLO, WASHINGTON (FEED MILL) - COUNTY OF ADAMS

Warranty Deed, Interstate Livestock Feeders, Inc., recorded November 9, 1966.

That portion of Farm Unit 73, Irrigation Block 45, Columbia Basin Project, according to the Fourth Revision to the Farm Unit Plat thereof filed for record September 2 1953, in the office of the Auditor of Adams County, Washington, and lying in the northwest quarter of Section 27, Township 16 North, Range 29 East, W. M., describe as follows: Beginning at the west quarter corner of said Section 27; thence north $89^{\circ}51'$ east along the south line of said northwest quarter 135.3 feet to the southwest corner of said Farm Unit 73; thence continuing north $89^{\circ}52'$ east 116.0 feet; thence north $20^{\circ}13'$ east 394.9 feet to the true point of beginning; thence continuing north $20^{\circ}13'$ east 139.1 feet; thence north $8^{\circ}52'$ east 433.1 feet; thence north $60^{\circ}24'$ east 319.7 feet to the north line of said Farm Unit 73; thence south $59^{\circ}42'$ west along said north line 506 feet, more or less, to the northwest corner of said Farm Unit 7.

Beginning again at the true point of beginning; thence north $2^{\circ}46'$ west 63.23 feet; thence on a 363.69 foot radius curve to the right an arc length of 177.09 feet; thence north $11^{\circ}46'$ west 55.57 feet; thence on a 503.69 foot radius curve to the right an arc length of 75.76 feet; thence north $63^{\circ}46'$ west 11.6 feet, more or less, to the westerly boundary line of said Farm Unit 73; thence north $10^{\circ}21'$ east along said westerly boundary 592.7 feet, more or less, to the northwest corner of said Farm Unit 73.

22. OTHELLO, WASHINGTON (FERTILIZER) - COUNTY OF ADAMS

Warranty Deed, O. C. and Marion E. Yergesen, recorded January 13, 1961.

Warranty Deed, Chicago, Milwaukee, St. Paul & Pacific Railroad Company, recorded September 27, 1961.

Parcel A: Lots One (1) to Fifteen (15) inclusive, and Lot Twenty-three (23), Block 13, Lots One (1) to Twenty-four (24) inclusive, Block 14, Othello Realty Company's First Addition to Othello, according to the plat thereof of record in the office of the Auditor of Adams County, Washington.

Parcel B: Lots Sixteen (16), Seventeen (17), Eighteen (18), Nineteen (19), Twenty (20), Twenty-one (21) and Twenty-two (22), Block 13, Othello Realty Company's First Addition to Othello, according to the plat thereof on record in the office of the Auditor of Adams County, Washington; also, all of grantor's right, title and interest in and to that portion of the vacated alley in said Block 13 contiguous to said Lot Sixteen (16), Seventeen (17), Eighteen (18), Nineteen (19) and Twenty (20) and that portion of the north half of said vacated alley contiguous to said Lots Twenty-one (21) and Twenty-two (22).

23. PORTLAND, OREGON - COUNTY OF MULTNOMAH

A tract of land situated in Section 17, Township 1 North, Range 1 East of the Willamette Meridian, City of Portland, County of Multnomah, State of Oregon, described as follows:

Beginning at a point on the Harbor line established by the Secretary of War on the north westerly side of the Willamette River, said point being at the end of the first or North 52°15'00" East 610.62 foot line of that parcel of land conveyed by the Port of Portland to the Washington Co-operative Farmers Association by deed recorded May 11, 1954 in deed Book 1954, Page 336, Multnomah County, Oregon; thence leaving said Harbor line North 52°15'00" East 575.00 feet to the westerly line of North Basin Avenue; thence along said westerly line of North Basin Avenue the three following courses, viz: (1) South 52°15'00" East 115.00 feet, (2) along a curve to the right having a radius of 150.00 feet and a central angle of 42°28'00" for a distance of 100.00 feet, and curve being subtended by a chord bearing South 51°31'00" East 97.79 feet and (3) South 51°17'00" East 13.07 feet; thence leaving said westerly line of North Basin Avenue for new lines of division the two following courses, viz: (1) South 45°21'28" East 201.57 feet and (2) South 52°14'00" East 107.79 feet to said Harbor line; thence North 52°15'00" East along said Harbor line 215.04 feet to the point of beginning.

Containing 213259 square feet or 4.8964 acres of land, more or less.

24. POULSBRO, WASHINGTON - COUNTY OF LITSAP

Warranty Deed, Martin and Nora Anderson and Homer and Agnes Whitford, recorded July 26, 1951.

A portion of Government Lot Three (3), and the northeast quarter of the northeast quarter of Section 15, Township 26 North, Range 1 East, W. M., more particular described as follows: Beginning at the northwest corner of the northeast quarter of the northeast quarter of Section 15, Township 26 North, Range 1 East, W. M., said point being north 89°07'47" west 1298.12 feet from the northeast corner of said Section 15; thence south 0°14'40" west 705.63 feet; thence south 89°07'47" east 155.6 feet to the easterly right-of-way of State Highway No. 21; thence south 10°25'2" west along said easterly right-of-way 623.68 feet to the true point of beginning; thence continuing south 10°25'25" west 56.50 feet to the beginning of a 20° off curve to the left having a radius of 236.50 feet and turning through an angle of 99°00'; thence along the arc of said curve a distance of 314.42 feet; thence leaving said curve running north 10°25'15" east a distance of 286.16 feet; thence north 79°31'32" west 150.00 feet to the true point of beginning.

25. PURDY, WASHINGTON - COUNTY OF PIERCE

Warranty Deed, Gaylord and Alma Brouse, recorded October 27, 1955.

Commencing at a point on the west line of State Highway No. 14 at its intersection with the north line of Section 13, Township 31 North, Range 1 East, of the Willamette Meridian and running thence south $0^{\circ}57'$ east along the west line of said highway, a distance of 470.22 feet; thence south $89^{\circ}59'$ west, a distance of 325.00 feet; thence north $0^{\circ}57'$ west, a distance of 204.95 feet; thence west 213.9 feet to meander line of Burley Cove; thence along said meander line north $55^{\circ}42'50''$ east 387.55 feet; thence north $13^{\circ}10'40''$ east 66.07 feet to meander corner on north line of Lot One (1); thence east on said north line 157.60 feet to point of beginning.

EXCEPT in the County of Pierce, State of Washington, commencing at a point on the west line of State Highway No. 14 at its intersection with the north line of Section 13, Township 22 North, Range 1 East, of the Willamette Meridian and running thence south $0^{\circ}57'$ east along the west line of said highway, a distance of 215.0 feet; thence south $89^{\circ}56'$ west a distance of 449.34 feet to meander line of Burley Cove; thence along said meander line north $55^{\circ}42'50''$ east 290.67 feet; thence north $13^{\circ}10'40''$ east 65.5 feet to meander corner on north line of Lot One (1); thence east on said north line 157.60 feet to point of beginning.

26. PUYALLUP, WASHINGTON - COUNTY OF PIERCE

Warranty Deed, David M. and Bernadette H. Furbull and Raymond W. and Lillia Gogon, recorded July 27, 1960.

Parcel A: Lots Three (3) to Nine (9) inclusive, Block 13, J. P. Stewart's Seventh Addition to the Town of Puyallup, W. T., according to plat recorded in Book 2 of plats at page 102, together with the west half of Morton Street adjoining vacated by Ordinance No. 338 of the City of Puyallup.

Parcel B: Lots Eight (8) to Twelve (12) inclusive, Block 12, J. P. Stewart's 4th Addition to Puyallup, according to plat recorded in Book 1 of plats at page 42, together with the east half of Morton Street adjoining vacated by Ordinance No. 33 of the City of Puyallup.

Parcel C: A strip of land in the southeast $1/4$ of the northeast $1/4$ of Section 2, Township 20 North, Range 4 East of W. M. lying between Parcels A and B and the Northern Pacific Railway Company's right-of-way, described as follows: Beginning at the most westerly corner of Lot Three (3), Block 13, J. P. Stewart's Seventh Addition to the Town of Puyallup, W. T., according to plat recorded in Book 2 of plats at page 102; thence on a prolongation of the line between Lots Two (2) and Three (3) in said Block 13, southwesterly to the north line of the Northern Pacific Railway Company's right-of-way; thence southeasterly along the north line of said right-of-way to the extension of the line between Lots Seven (7) and Eight (8), Block 12, J. P. Stewart's 4th Addition to Puyallup, according to plat recorded in Book 1 of plats at page 42; thence northeasterly along said extended line to the most southerly corner of Lot Eight (8) said Block 12; thence northwesterly along the south line of said Block 12 and its extension to the most southerly corner of Block 13, J. P. Stewart's Seventh Addition and along the south line of said Block 13 to the place of beginning.

27. QUINCY, WASHINGTON - COUNTY OF GRANT

Special Warranty Deed, Quincy Farmers Elevator Cooperative, Inc., recorded June 1960.

Parcel A: That portion of vacated Fifth Avenue Southeast (Central Avenue) and vacated East Division Street (Front Street) lying adjacent to Lot 1, Block 20, and L. S. Block 21, Central Quincy, according to the plat thereof recorded in Volume 1 Plats, page 18, records of Grant County, Washington, described as follows:

Beginning at the Northeast corner of said Lot 1; thence South along the East boundary line thereof to the Southeast corner of said Lot 1; thence East along the extended South boundary line of said Lot 1 to the Southwest corner of said Lot 3; thence north along the West boundary line of said Lot 3 and the Northerly extension thereof to the Southerly right of way line of East Division Street as now located; thence West along said Southerly right of way line to an intersection with the Northerly extension of the boundary line of said Lot 1; thence South along the Northerly extension of the East boundary line of said Lot 1 to the point of the beginning.

Parcel B: Lots 3, 4, 5, 6 and 7, Block 18, and Lots 1, 2, 3, 4, 5, 6 and 7, Block 20, Central Quincy, Grant County, Washington, according to the plat thereof filed October 1, 1902.

TOGETHER WITH Lessee's rights and interest under the following leases from Great Northern Railway Company as Lessor to Quincy Farmers Elevator Cooperative, Inc. as Lessee:

(i) Lease No. 58018 Trumad, Washington. All of Industrial Lots 6 to 12, inclusive. 350 lin. ft. of frontage; (ii) Lease No. 58710 at Quincy, Washington. All of Industrial Lots 19 to 34, inclusive, plus the east 70 ft. of Industrial Lot #35. 120 lin. ft. of frontage; (iii) Lease No. 56746 at Quincy, Washington. All of the Industrial Lots 15 to 20. 300 lin. ft. frontage.

TOGETHER WITH any and all other real and personal property of every nature and description whatsoever and wheresoever situated owned by Quincy Farmers Elevator Cooperative, Inc.

28. ROYAL SLOPE, WASHINGTON - COUNTY OF GRANT

Warranty Deed, Royal Slope Company, recorded June 19, 1958.

A portion of Section 31, Township 17 North, Range 27-East, W.M., described as follows: Beginning at the south 1/4 corner of said Section 31, thence north $89^{\circ}02'00''$ west along the south line of said Section 31 a distance of 666.27 feet; thence north $0^{\circ}38'00''$ east 90.00 feet; thence on a 155.70 foot radius curve to the left (the long cord of which bears north $29^{\circ}31'41''$ west) a curve distance of 163.16 feet; thence on a 265.70 foot radius curve to the right (the long cord of which bears north $29^{\circ}31'41''$ west) a curve distance of 233.36 feet; thence north $00^{\circ}38'00''$ east 157.96 feet; thence north $89^{\circ}22'00''$ west 151.65 feet to the true point of beginning, continuing thence north $89^{\circ}22'00''$ west 196.79 feet; thence north $81^{\circ}42'00''$ west 353.79 feet; thence north $45^{\circ}28'00''$ east 275.00 feet; thence south $41^{\circ}12'00''$ east 184.59 feet; thence on a 300.00 foot radius curve to the left (the curve being tangent to south $41^{\circ}12'00''$ east) a curve distance of 215.41 feet; thence south $70^{\circ}10'00''$ west 201.41 feet to the true point of beginning; subject to easements and restrictions of record.

29. ROYAL CITY, WASHINGTON - COUNTY OF GRANT

Warranty deed, Milwaukee Land Company, recorded September 11, 1967.

A parcel of land in the south one-half (S1/2) of Section eight (8), Township sixteen (16) north, Range Twenty-six (26) E.W.M., the boundary of which is described as follows: Beginning at the northwest corner of said south one-half (S1/2) of Section eight (8); thence easterly along the north line of said south one-half (S1/2) two hundred ninety-nine and seventy-hundredths (299.70) feet to a point on the southerly right of way line of S511-26 one hundred fifty (150) foot wide right of way; thence easterly along said southerly line of S511-26 two thousand (2000) feet; thence southerly at right angle seventy (70) feet to the true point of beginning; thence continuing southerly at right angles to said southerly line of S511-26 four hundred thirty (430) feet; thence easterly at right angles six hundred (600) feet; thence northerly at right angles four hundred thirty (430) feet; thence westerly parallel to said southerly line of S511-26 six hundred (600) feet to the point of beginning.

This conveyance is subject to all existing rights of way and easements, whether or not of record, and to all encumbrances, exceptions and reservations of record, and to all encumbrances, exceptions and reservations of record, and the Grantor reserves to itself, its successors and assigns, all minerals of any nature whatsoever including, but not exclusively, coal, oil, natural gas and oil, which may be in or upon said described lands, together with the sole, exclusive and perpetual right to explore for and develop said minerals by any means or methods available to the Grantor, its successors or assigns.

30. SALEM, OREGON - COUNTY OF MARION

Warranty Deed, Herman R. and Laura A. McAllister, recorded May 24, 1968.

Beginning at the southwest corner of the 1/4 Section McAllister Donation Land Claim 14-49 in Township 7 South, Range 2 West of the Adair-McAllister in Marion County, Oregon; thence south $89^{\circ}02'40''$ east to the south line of said Herman McAllister

Donation Land Claim No. 49 a distance of 55.73 feet to the westerly boundary of the Southern Pacific Railroad right-of-way; thence north 29°02' east along said westerly boundary 581.96 feet; thence north 88°43'40" west 371.11 feet; thence south 01°29'36" west 115.97 feet; thence north 88°29' west 254.93 feet to the center of Market Road No. 31, said centerline also being the west line of said Harden McAllister Donation Land Claim No. 49; centerline also being the west line of said Harden McAllister Donation Land Claim No. 49; thence south 6°09' west 438.74 feet to the point of beginning, containing 6.135 acres of land.

EXCEPTING therefrom the west 30 feet lying in the County Road.

31. SPOKANE, WASHINGTON - COUNTY OF NEVADA

Warranty Deed, Northwestern Improvement Company, May 8, 1956.

Quitclaim Deed, Northern Pacific Railway Company, recorded April 29, 1957.

Block 12 of EAST SPOKANE, according to the plat thereof recorded in Volume B of Plats, at page 41, in the records of Spokane County.

EXCEPTING THEREFROM, however, the southerly half of the vacated street lying on the northerly side of and adjoining said Block 12; and

Reserving to the Grantor, its successors and assigns, an easement for a right-of-way for a railroad switching lead track upon and along the southerly 17 feet of said Block 12.

Providing, however, that said easement is to be relinquished in the event said Grantor, its successors and assigns, is able to secure a franchise for said switching lead track on Dean Avenue.

32. SPRAGUE, WASHINGTON - COUNTY OF LINCOLN

Statutory Warranty Deed, Sprague Grain Growers, recorded August 11, 1966.

East half of Lot Two (E½ Lot 2) and all of Lots Three (3), Four (4) and Five (5) Block 10, Town of Sprague, according to plat thereof, recorded in Book A of Plats, page 3, records of Lincoln County, situated in the State of Washington.

33. TACOMA, WASHINGTON - COUNTY OF PIERCE

Warranty Deed, J. M. Martinac Shipbuilding Corporation, recorded June 6, 1947.

Warranty Deed, Martinac Shipbuilding Corporation and Arne and Anna Strom and Haldar and Esther Dahl, dba Tacoma Boatbuilding Company, recorded June 11, 1947.

Parcel A: Beginning at the intersection of the north line of Taylor Way as now established with a line which is parallel with and 804 feet west of the east line of Government Lot Nine (9) in Section 26, Township 21 North, Range 3 East of the W.M.; thence, along said north line of Taylor Way north $61^{\circ}23'23''$ west 744.87 feet more or less to the west line of the east 165 feet of Government Lot Eight (8), in Section 26, Township 21 North, Range 3 East of the W.M.; thence north $0^{\circ}34'10''$ east along said west line 935.33 feet more or less to the southerly line of the waterway of Commercial Waterway District No. 1, Pierce County, State of Washington, known as Hylebos Waterway; thence along said waterway line south $69^{\circ}23'$ east 813.67 feet more or less to a point on a line which is parallel with and 754 feet west of the east line of said Government Lot Nine (9); thence along said parallel line south $1^{\circ}27'35''$ west 129.88 feet more or less to a point which is 826.90 feet north measured along said parallel line from the northerly line of Taylor Way; thence north $88^{\circ}32'25''$ west 50 feet; thence south $1^{\circ}27'35''$ west 784.50 feet to beginning; EXCEPT the west 325 feet thereof;

SUBJECT TO rights of Commercial Waterway District No. 1, through its Commissioners, to make slopes upon the herein described property, and to construct, maintain, deepen or widen, or otherwise improve the Hylebos Waterway, and other rights as set forth in decree filed December 23, 1951, in Pierce County Civil Case No. 32173 subject to easements of record.

Parcel B: Beginning at the intersection of the north line of Taylor Way as now established with a line which is parallel with and 804 feet west of the east line of Government Lot Nine (9), in Section 26, Township 21 North, Range 3 East of the W.M.; thence along said north line of Taylor Way north $61^{\circ}23'23''$ west 744.87 feet more or less to the west line of the east 165 feet of Government Lot Eight (8), in Section 26 Township 21 North, Range 3 East of the W.M.; thence north $0^{\circ}34'10''$ east along said west line 935.33 feet more or less to the southerly line of the waterway of Commercial Waterway District No. 1, Pierce County, State of Washington, known as Hylebos Waterway; thence along said waterway line south $69^{\circ}23'$ east 813.67 feet more or less to a point on a line which is parallel with and 754 feet west of the east line of said Government Lot Nine (9); thence along said parallel line south $1^{\circ}27'35''$ west 129.88 feet more or less to a point which is 799.94 feet north measured along said parallel line from the northerly line of Taylor Way; thence north $88^{\circ}32'25''$ west 5 feet; thence south $1^{\circ}27'35''$ west 782.74 feet to beginning; EXCEPT the west 325 feet thereof; situated in the City of Tacoma.

SUBJECT to rights of Commercial Waterways District No. 1, through its commissioners, to make slopes upon the herein described property, and to construct, maintain, deepen, widen or otherwise improve the Hylebos Waterway and other rights as set forth in decree filed December 23, 1951, in Pierce County Civil Case No. 32173.

SUBJECT to revocable license granted to Buffelen Lumber and Manufacturing Company, to install and maintain water pipe and fire hydrants on the easterly 10 feet of said property as disclosed by deed recorded under Pierce County Auditor's Fee No. 1315788.

34. WALLULA, WASHINGTON - COUNTY OF WALLA WALLA

Statutory Warranty Deed from Pennwalt Corporation, recorded December 8, 1975.

Parcel A: Beginning at a point which is 3,155.15 feet north and 1,524.81 feet west of the southeast corner of Section 27 in Township 7 North, Range 31 East of the Willamette Meridian, and running thence south $87^{\circ}30'$ east 264.71 feet; thence south $2^{\circ}04'15''$ west 117.29 feet; thence north $87^{\circ}55'45''$ west 1,156.47 feet; thence north $2^{\circ}04'15''$ east 190.00 feet to the true point of beginning for this description; then north $87^{\circ}55'45''$ west 50 feet; thence southwesterly along a curve to the left having radius of 240 feet, a distance of 310 feet more or less to a point 12 feet northwesterly at right angles from the centerline of the railroad leading to the Western Farm Association's warehouse; thence southwesterly, along a curve to the left having radius of 395.66 feet, being a line 12 feet northwesterly from the centerline of a spur track, a distance of 30 feet; thence north $71^{\circ}55'45''$ west 479 feet more or less to the westerly line of the tract conveyed by the United States of America to the Port

Walla Walla, by deed dated April 6, 1963, and recorded under Auditor's File No. 447417, records of Walla Walla County; thence north $18^{\circ}04'15''$ east, along the westerly line of said tract, 400 feet more or less to the north boundary of said tract conveyed to the Port of Walla Walla; then e south $87^{\circ}55'45''$ east, along said north boundary, a distance of 550 feet more or less to a point which bears north $2^{\circ}04'15''$ east from the true point of beginning; thence south $2^{\circ}04'15''$ east from the said true point of beginning.

SUBJECT to easements, reservations, and restrictions of record.

The Grantor further grants to the Grantee the right of ingress and egress across the remaining portion of the northeast one-quarter southwest one-quarter of Section 2 and the abutting property.

Parcel B: Beginning at a point which is 3,135.15 feet north and 1,523.81 feet west of the southeast corner of Section 27 in Township 7 North of Range 31 East of the Willamette Meridian and running thence south $57^{\circ}30'$ east 203.75 feet to the true point of beginning of the tract herein described; thence south $2^{\circ}04'15''$ west 112.29 feet; thence north $87^{\circ}55'45''$ west 1,100.0 feet; thence north $2^{\circ}04'15''$ east 420 feet, more or less, to the north line of that tract of land conveyed by the United States of America to the Port of Walla Walla by deed dated April 6, 1963, and recorded under Auditor File No. 447417; thence south $87^{\circ}55'45''$ east, along the north line of said tract conveyed to the Port of Walla Walla, 1,100 feet to a point which bears north $2^{\circ}04'15''$ east from the true point of beginning; thence south $2^{\circ}04'15''$ west 367.71 feet to the true point of beginning, subject to reservations and easements of record.

35. WALLA WALLA, WASHINGTON - COUNTY OF WALLA WALLA

Statutory Warranty Deed, Thompson Poultry, Inc., recorded May 9, 1958.

Parcel A: Beginning at a point in the west line of Section 32 in Township 7 North Range 36 East of the Willamette Meridian, which point is 54.78 feet south, measured along said west line, from the northwest corner of said Section 32; and running thence east, parallel to the north line of said Section 32, a distance of 363 feet to the true point of beginning for this description. From said true point of beginning, run then south, parallel to the west line of said Section 32, a distance of 73 feet; thence east and parallel to the north line of said Section 32, a distance of 119 feet, more or less, to a point in the westerly line of the right-of-way of the Oregon-Washington Railroad & Navigation Company; thence northwesterly along the westerly line of said right-of-way a distance of 84.3 feet, more or less, to a point in a line drawn parallel to and 54.78 feet south of the north line of said Section 32; thence west on said parallel line a distance of 85 feet, more or less, to the true point of beginning.

Parcel B: Beginning at a point in a line drawn parallel to and 54.78 feet south of the north line of Section 32 in Township 7 North of Range 36 East of the Willamette Meridian, which point is 363 feet east, measured along said parallel line, from the west line of said Section 32; and running thence west parallel to the north line of said Section 32, a distance of 106.96 feet; thence south parallel to the west line of Section 32, a distance of 76.82 feet; thence east, parallel to the north line of said Section 32, a distance of 59.91 feet; thence south $8^{\circ}05'$ east 99.04 feet; thence east parallel to the north line of said Section 32, to a point in the westerly line of the right-of-way of the Oregon-Washington Railroad & Navigation Company; thence northwesterly along the westerly line of right-of-way to the point of intersection thereof with a line drawn parallel to and 127.78 feet south of the north line of said Section 32; thence west on said parallel line a distance of 119 feet, more or less, to the point of intersection thereof with a line drawn parallel to and 363 feet east of the west line of said Section 32, measured along a line parallel to the north line of said Section 32; thence north parallel to the west line of said Section 32, a distance of 73 feet to the point of beginning.

Parcel C: Beginning at a point in a line parallel to and 30 feet east of the west line of Section 32, Township 7 North, Range 36 East of the Willamette Meridian, which point is 679.2 feet south, measured along said parallel line from the north line of said Section 32, and run thence north $56^{\circ}30'$ east 597.55 feet to the true point of beginning for this description; thence north $56^{\circ}30'$ east 597.55 feet to the true point of beginning for this description; thence north $8^{\circ}15'$ west 544.5 feet; thence north $89^{\circ}10'$ east parallel to the north line of said Section 32, a distance of 166.9 feet to the west line of the O.W.R. & N. Co. right-of-way; thence southeasterly, along the west line of said right-of-way, a distance of 480.58 feet to a point therein which is north $56^{\circ}30'$ east 282.2 feet from the true point of beginning; thence south $56^{\circ}30'$ west 282.2 feet to the true point of beginning.

Parcel D: The exclusive right to take water from the well located upon the following described property and to transmit it by pipeline therefrom together with an easement for ingress and egress for the purpose of repair and maintenance thereof, as more particularly set forth and defined by the conveyance thereof of instrument recorded in Volume 241 of Deeds at page 360, to-wit:

Beginning at a point in a line drawn parallel to and 54.78 feet south of the north line of Section 32 in Township 7 North, of Range 30 East of the Willamette Meridian, which point is 190.0 feet east, measured along said parallel line, from the west line of said Section 32, and running; thence south, parallel to the west line of said Section 32, a distance of 77.10 feet; thence north $89^{\circ}10'$ east, parallel to the north line of said Section 32, a distance of 13.70 feet; thence south, parallel to the west line of said Section 32, a distance of 7.29 feet; thence north $89^{\circ}10'$ east, parallel to the north line of said Section 32, a distance of 5.65 feet; thence south, parallel to the west line of said Section 32, a distance of 116.22 feet; thence north $88^{\circ}29'$ east 117.62 feet; thence north, parallel to the west line of said Section 32, a distance of 30.0 feet; thence north $8^{\circ}04'$ west 99.04 feet to a point in a line drawn parallel to and 125.60 feet south of the north line of said Section 32; thence south $89^{\circ}10'$ west, along said parallel line, a distance of 59.91 feet; thence north, parallel to the west line of said Section 32, a distance of 70.52 feet to a point in a line drawn parallel to and 54.78 feet south of the north line of said Section 32; thence south $89^{\circ}10'$ west, along said parallel line, a distance of 66.04 feet to the point of beginning.

36. WOODLAND, WASHINGTON - COUNTY OF COWLITZ

Statutory Warranty Deed, Lizzie Christenson, dated August 13, 1931.

Warranty Deed, Marguerite Jefferis and Ruth Engemach, dated January 31, 1944.

Statutory Warranty Deed, Francis M. and Julietta Carson, dated February 17, 1946.

Lots One (1), Two (2), Three (3), Four (4) and Five (5) in Block Two (2) of COMMERCIAL ADDITION, being an addition within the corporate limits of Woodland, Washington.

Subject to liability and further assessment for the purpose of dyking improvement district No. 11 of Cowlitz County, Washington.

37. VENNER, WASHINGTON - COUNTY OF YALMA

Statutory Warranty Deed, John L. Haas, Inc., recorded June 15, 1939.

That portion of the northeast quarter of the northeast quarter of Section 36, Township 11 North, Range 15 East of the Willamette Meridian, lying north of the right-of-way of the Northern Pacific Railway Company, U.S. road.

38. YAKIMA, WASHINGTON - COUNTY OF YAKIMA

Statutory Warranty Deed, Robert and Alice Jamerson and
Olaf Wall, dated September 19, 1951.

Portion of Lot 28, Goodwins Five Acre Tracts, according
to the plat thereof recorded in Volume A of Plats, page
18, records of Yakima County, Washington.

39. YELM, WASHINGTON - COUNTY OF TIERCE

Warranty Deed from Elgin-Law Cooperative Creamery Company, recorded August 7
1950.

Quit Claim Deed from Lay Van Patton, receiver for Elgin-Law Cooperative
Creamery Company, dated January 9, 1950.

A portion of the northeast quarter of the southwest quarter of Section 19, Township 14
North, Range 2 East, Willamette Meridian, described as follows:

Beginning at the intersection of the northeasterly line of Stevens Street
extended, in the Town of Yelm, and the northwesterly line of the Northern
Pacific Railroad right-of-way; thence southeasterly along the northwesterly line
of said right-of-way 150 feet to a point; thence northeasterly at right angles to
said right-of-way 55 feet; thence southwesterly parallel with said right-of-way
to a point on the northeasterly line of Stevens Street extended; thence
southeasterly along said line of Stevens Street extended to the point of
beginning.

EXCEPT for all easements of record.

EXHIBIT "L"

Schedule of Permitted Liens and Encumbrances On
Tangible Personal Property to be Acquired by CENEX

Building or use restrictions general in the district where the assets are situated and applicable building or zoning regulations or provisions shall not be considered encumbrances or defects.

Any restrictions, obligations, encumbrances, or limitations on use or possession of assets as described in contracts, leases, or other agreements listed on Exhibit "G" to this Purchase and Sale Agreement shall also be considered as permitted liens and encumbrances.

EXHIBIT "M"

Schedule of Pending Litigation, Proceeding
or Investigations Which Have Commenced, Is
Pending, or Is Threatened Which Would
Prevent Transfer of Any Assets to be Acquired
by CENEX.

NONE

EXHIBIT "N"

Schedule of Insurance Coverage Maintained
by WFA Within the Last Three Years

EXHIBIT
to
WESTERN FARMERS ASSOCIATION-CENEX PURCHASE AND SALES AGREEMENT

Coverage

Insurance Company
Policy No.
Limit of Liability
Deductible
Premium
Policy Period

General Liability

National Union Fire Insurance Company of
Pittsburg, Pennsylvania
GLA 127-2837
\$1,000,000
None
\$200,000
6/1/81 to 6/1/82

Coverage

Insurance Company
Policy No.
Limit of Liability
Deductible
Premium
Policy Period

Automobile Liability

National Union Fire Insurance Company of
Pittsburg, Pennsylvania
BH 145 43 89
\$1,000,000
None
\$150,000
6/1/81 to 6/1/82

Coverage

Insurance Company
Policy No.
Limit of Liability
Deductible
Premium
Policy Period

Excess to General, Automobile and Work-
mans Compensation and Employers Liability

Integrity Insurance Company
LXS 600-396
\$5,000,000 in excess of \$1,000,000
Workmans Compensation excess of \$100,000
\$10,000
\$40,000
6/1/81 to 6/1/82

Coverage

Insurance Company
Policy No.
Limit of Liability
Deductible
Premium
Policy Period

Second Excess to General, Automobile and
Workmans Compensation

National Union Fire Insurance Company of
Pittsburg, Pennsylvania
9601593
\$15,000,000 in excess of \$6,000,000
None
\$32,000
6/1/81 to 6/1/82

Coverage

All Risks of Physical Loss or Damage to
Buildings, Equipment, Inventory, Course
of Construction, Accounts Receivable
Records, etc.

Insurance Company
Policy No.
Limit of Liability
Deductible

Comstock and Transit Casualty
JKS 000 657
\$15,000,000
Building, Equipment, Stock--\$25,000
Course of Construction--\$500
Additional Expense, etc.--\$1,000
Annual--\$99,482
9/1/81 to 9/1/84

Premium
Policy Period

Coverage

Fiduciary Liability (Employee Benefits)

Insurance Company
Policy No.
Limit of Liability
Deductible
Premium
Policy Period

Federal Insurance Company
8082 11 57
\$3,000,000
\$1,000
\$3,443
1/1/81 to 1/1/82

Coverage

Workmans Compensation-Oregon

Insurance Company
Policy No.
Limit of Liability
Deductible
Premium
Policy Period

Argonaut Insurance Company
WC 80-372-808159
\$100,000
None
Retrospective Premium
7/1/79 to 7/1/82

Coverage

Employee Theft and Depository Forgery

Insurance Company
Policy No.
Limit of Liability
Deductible
Premium
Policy Period

Federal Insurance Company
8058 91 68
\$500,000
\$10,000
\$7,220
12/15/78 until canceled

Coverage

Directors and Officers Liability

Insurance Company
Policy No.
Limit of Liability
Deductible
Premium
Policy Period

Continental Casualty Company
DOM 005 20 2293
\$1,000,000
\$5,000-\$10,000
\$6,900
2/6/81 to 2/6/82

Coverage

Insurance Company
Policy No.
Limit of Liability
Deductible
Premium
Policy Period

Excess Directors and Officers Liability

International Surplus Lines Insurance
Company
XS1 3171
\$4,000,000 in excess of \$1,000,000
None
\$17,250
2/6/81 to 2/6/82

Coverage

Insurance Company
Policy No.
Limit of Liability
Deductible
Premium
Policy Period

Boiler and Machinery

Pacific Indemnity Company
7826-30-19
\$500,000
\$1,000
\$7,968--annual premium
2/1/80 until canceled

Coverage

Insurance Company
Policy No.
Limit of Liability
Deductible
Premium
Policy Period

Non-owned Aircraft Liability

Insurance Company of North America
AVG 04 2291
\$5,000,000
None
\$808.00
6/1/81 to 6/1/82

Coverage

Insurance Company
Policy No.
Limit of Liability
Deductible
Premium
Policy Period

Railroad Protective Liability

American Home Assurance Company
RPL 3669668
\$500,000 - \$1,000,000
None
\$125
8/16/81 to 8/16/82

Coverage

Insurance Company
Binder No.
Limit of Liability
Deductible
Premium
Policy Period

Rental Income

KS Subscription Company
102281A
\$42,000
None
\$250 (3 years)
10/1/81 to 10/1/84

WESTERN FARMERS ASSOCIATION

SEATTLE, WASHINGTON

STATEMENT OF UNEARNED PREMIUM AS OF MAY 31, 1981

COVERAGE			
COMPANY	POLICY NUMBER	POLICY DATES	TERM
<u>BLANKET BUILDINGS & EQUIPMENT</u>			
MILLERS NATIONAL INS. CO.	014606	9/1/80-81	1 Year
<u>BLANKET BUILDINGS AND MACHINERY</u>			
GRAIN DEALERS MUTUAL INS. CO.	A-747068	9/1/78-83	5 Years
<u>RENTAL VALUE - HOME ELECTRICAL CO.</u>			
INDUSTRIAL RISK INSURERS	31-7-08998	3/8/79-82	3 Years

SEATTLE, WASHINGTON

STATEMENT OF UNEARNED PREMIUM AS OF MAY 31, 1981

COVERAGE	POLICY NUMBER	POLICY DATES	TERM
<u>COMPANY</u>			
<u>BLANKET EXTRA EXPENSE COVERAGE</u>			
LLOYDS OF LONDON	HEO 87523	5/1/78-81	3 Years
<u>PROVISIONAL STOCK</u>			
MILLERS NATIONAL INSURANCE CO.	014607	9/1/80-81	1 Year

SEATTLE, WASHINGTON

STATEMENT OF UNEARNED PREMIUM AS OF MAY 31, 1981

OVERAGE	POLICY NUMBER	POLICY DATES	TERM
<u>PROVISIONAL STOCK - TACOMA</u>			
GRAIN DEALERS MUTUAL INS. CO.	A-747069	9/1/78-83	5 Years
<u>BUILDING AND CONTENTS - PORTLAND, OREGON</u>			
INDUSTRIAL RISK INSURERS	31-7-08997	3/3/79-82	3 Years

SEATTLE, WASHINGTON

STATEMENT OF UNEARNED PREMIUM AS OF MAY 31, 1981

COVERAGE	POLICY NUMBER	POLICY DATES	TERM
COMPANY			
<u>INSTALLATION/CONSTRUCTION FLOATER</u>			
INSURANCE COMPANY OF NORTH AMERICA	CTL 10 0292400	1/1/81-82	One Year
<u>EQUIPMENT FLOATER</u>			
INSURANCE COMPANY OF NORTH AMERICA	CF 10 0292412	1/27/81-82	One Year

SEATTLE, WASHINGTON

STATEMENT OF UNEARNED PREMIUM AS OF MAY 31, 1981

COVERAGE	POLICY NUMBER	POLICY DATES	TERM
COMPANY			
<u>DATA PROCESSING COVERAGE (EXTRA EXPENSE)</u>			
ST. PAUL FIRE & MARINE	384JA7551	11/26/80-81	One Year
<u>AUTOMOBILE LIABILITY</u>			
NATIONAL UNION INS. CO.	BA1454274 RA	6/1/80-81	One Year

SEATTLE, WASHINGTON

STATEMENT OF UNEARNED PREMIUM AS OF MAY 31, 1981

COVERAGE	POLICY NUMBER	POLICY DATES	TERM
COMPREHENSIVE LIABILITY (excl. auto)			
NATIONAL UNION INS. CO.	GLA127 2579RA	6/1/80-81	One Year
EXCESS UMBRELLA CATASTROPHE LIABILITY			
INTEGRITY INSURANCE CO.	ISX-600- 323	6/1/80-81	One Year
INTERNATIONAL SURPLUS LINES	XS1-4655	6/1/80-81	One Year
NORTHBROOK INSURANCE CO.	63006772	6/1/80-81	One Year

SEATTLE, WASHINGTON

STATEMENT OF UNEARNED PREMIUM AS OF

MAY 31, 1981

OVERAGE	POLICY NUMBER	POLICY DATES	TERM
EXCESS UMBRELLA CATASTROPHE LIABILITY (CONTINUED)			
HIGHLANDS INSURANCE CO.	HZ11-01-61	6/1/80-81	One Year
NATIONAL UNION FIRE INS. CO.	960-1492	6/1/80-81	One Year
NORTHBROOK INSURANCE CO.	63006773	6/1/80-81	One Year

SEATTLE, WASHINGTON

STATEMENT OF UNEARNED PREMIUM AS OF MAY 31, 1981

COVERAGE	POLICY NUMBER	POLICY DATES	TERM
COMPANY			
<u>BOILER AND MACHINERY</u>			
PACIFIC INDEMNITY	7826-30-19	2/1/80	CONT.

SEATTLE, WASHINGTON

STATEMENT OF UNEARNED PREMIUM AS OF MAY 31, 1981

COVERAGE	POLICY NUMBER	POLICY DATES	TERM
<u>AVIATION NON-OWNED</u>			
CO. OF NORTH AMERICA	AVG042039	7/5/78-6/1/81	
<u>WORKERS' COMPENSATION</u>			
ARGONAUT INSURANCE CO.	WC80372 808159	7/1/79-82	3 Years
<u>FIDUCIARY LIABILITY</u>			
FEDERAL INS.	80821157	1/1/81-82	One Year

SEATTLE, WASHINGTON

STATEMENT OF UNEARNED PREMIUM AS OF MAY 31, 1981

OVERAGE			
COMPANY	POLICY NUMBER	POLICY DATES	TERM
<u>DIRECTORS AND OFFICERS LIABILITY</u>			
AMERICAN CASUALTY CO.	DOM005202293	2/6/81-82	One Year
<u>EXCESS D&O LIABILITY</u>			
INT'L SURPLUS LINES INS. CO.	XS113171	2/6/81-82	One Year
<u>COMPREHENSIVE 3-D BOND</u>			
FEDERAL INSURANCE CO.	80589168	12/15/80-81	Cont.

SEATTLE, WASHINGTON

STATEMENT OF UNEARNED PREMIUM AS OF MAY 31, 1981

COVERAGE	POLICY NUMBER	POLICY DATES	TERM
RAILROAD PROTECTIVE LIABILITY			
AMERICAN HOME ASSURANCE	RLP366 9654RA	8/16/80-81	One Year

SEATTLE, WASHINGTON

STATEMENT OF UNEARNED PREMIUM AS OF MAY 31, 1980

OVERAGE			
COMPANY	POLICY NUMBER	POLICY DATES	TERM
<u>BLANKET BUILDINGS & EQUIPMENT</u> MILLERS NATIONAL INS. CO.	038132	9/1/75-80	5 Years
<u>BLANKET BUILDINGS AND MACHINERY</u> GRAIN DEALERS MUTUAL INS. CO.	A-747068	9/1/78-83	5 Years
<u>RENTAL VALUE - HOME ELECTRICAL CO.</u> INDUSTRIAL RISK INSURERS	31-7-08998	3/8/79-82	3 Years

SEATTLE, WASHINGTON

STATEMENT OF UNEARNED PREMIUM AS OF MAY 31, 1980

COVERAGE	POLICY -NUMBER	POLICY DATES	TERM
<u>BLANKET EXTRA EXPENSE COVERAGE</u>			
LLOYDS OF LONDON	HEO 87523	5/1/78-81	3 Years
<u>PROVISIONAL STOCK</u>			
MILLERS NATIONAL INSURANCE CO.	038133	9/1/75-80	5 Years

SEATTLE, WASHINGTON

STATEMENT OF UNEARNED PREMIUM AS OF MAY 31, 1980

COVERAGE	POLICY -NUMBER	POLICY DATES	TERM
<u>PROVISIONAL STOCK - TACOMA</u> GRAIN DEALERS MUTUAL INS. CO.	A-747069	9/1/78-83	5 Years
<u>BUILDING AND CONTENTS - PORTLAND, OREGON</u> INDUSTRIAL RISK INSURERS	31-7-08997	3/3/79-82	3 Years

STATEMENT OF UNEARNED PREMIUM AS OF MAY 31, 1980

COVERAGE	POLICY NUMBER	POLICY DATES	TERM
<u>COMPANY</u>			
<u>INSTALLATION/CONSTRUCTION FLOATER</u>			
INSURANCE COMPANY OF NORTH AMERICA	CTF 32 82	1/1/80-81	One Year
<u>POULTRY FLOATER</u>			
ALBANY INSURANCE CO.	76/323	1/31/77 UNTIL CANCELLED	CONTINUOUS
<u>EQUIPMENT FLOATER</u>			
INSURANCE COMPANY OF NORTH AMERICA	CF 3 65 07	1/27/80-81	One Year

SEATTLE, WASHINGTON

STATEMENT OF UNEARNED PREMIUM AS OF MAY 31, 1980

OVERAGE			
COMPANY	POLICY -NUMBER	POLICY DATES	TERM
<u>DATA PROCESSING COVERAGE (EXTRA EXPENSE)</u>			
ST. PAUL FIRE & MARINE	384JA7551	11/26/79-80	One Year
<u>AUTOMOBILE LIABILITY</u>			
EMPLOYERS OF WAUSAU	2320-04- 031514	6/1/79-80	One Year

SEATTLE, WASHINGTON

STATEMENT OF UNEARNED PREMIUM AS OF

MAY 31, 1980

OVERAGE	POLICY NUMBER	POLICY DATES	TERM
EXCESS UMBRELLA CATASTROPHE LIABILITY (Continued)			
INTERNATIONAL SURPLUS LINES	XS1-4617	6/1/79-80	One Year
NORTHBROOK INSURANCE CO.	63005730	6/1/79-80	One Year
HIGHLANDS INSURANCE CO.	HZ11-01-61	6/1/78-80	One Year
TIONAL UNION FIRE INS. CO.	122-55-41	6/1/79-80	One Year
NORTHBROOK INSURANCE CO.	63005731	6/1/79-80	One Year

MAY 31, 1980

COVERAGE	POLICY NUMBER	POLICY DATES	TERM
BOILER AND MACHINERY PACIFIC INDEMNITY	7826-30-19	2/1/80	Cont.

SEATTLE, WASHINGTON

STATEMENT OF UNEARNED PREMIUM AS OF MAY 31, 1980

OVERAGE			
COMPANY	POLICY -NUMBER	POLICY DATES	TERM
<u>AVIATION NON-OWNED</u>			
INS. CO. OF NORTH AMERICA	AVG042039	7/5/78-6/1/81	
<u>WORKERS' COMPENSATION</u>			
ARGONAUT INSURANCE CO.	WC80372808159	7/1/79-82	3 Years
<u>FIDUCIARY LIABILITY</u>			
FEDERAL INS.	80821157	1/1/80-81	One Year

SEATTLE, WASHINGTON

STATEMENT OF UNEARNED PREMIUM AS OF MAY 31, 1980

COVERAGE	POLICY NUMBER	POLICY DATES	TERM
<u>DIRECTORS AND OFFICERS LIABILITY</u>			
AMERICAN CASUALTY CO.	DOM005202293	2/6/80-81	One Year
<u>EXCESS D&O LIABILITY</u>			
INT'L SURPLUS LINES INS. CO.	XSI13171	2/6/80-81	One Year
<u>COMPREHENSIVE 3-D BOND</u>			
FEDERAL INSURANCE CO.	80589168	12/15/78	Cont.

STATEMENT OF UNEARNED PREMIUM AS OF

OVERAGE	POLICY -NUMBER	POLICY DATES	TERM
COMPANY <u>RAILROAD PROTECTIVE LIABILITY</u> EMPLOYERS OF WAUSAU	2330-00-031514	8/16/79-80	One Year

EXHIBIT O

Employee Retention Program

EXHIBIT A

CENEX

EMPLOYEE RETENTION PROGRAM

and

SEVERANCE PAY PLAN FOR NON-REPRESENTED EMPLOYEES

(For use with Western Farmers Association in event of acquisition)

PURPOSE OF PLAN

The purpose of the plan is to provide an incentive for certain Western Farmers' employees to stay with Western Farmers Association (and later with CENEX) after it is announced that Farmers Union Central Exchange, Incorporated or its subsidiary (each being hereinafter referred to as CENEX) and Western Farmers have entered into a Letter of Intent and are working towards finalization and consummation of a definitive Purchase and Sale Agreement for substantially all of Western Farmers' assets.

The plan is also for the purpose of establishing a severance pay plan for employees who will not be continued in employment by CENEX for a period of nine months or more by CENEX, subsequent to acquisition.

It is important to retain employees for the following reasons:

1. If the exploration by CENEX ripens into a sale, then Western Farmers needs to be able to assure the purchaser (CENEX) that the Company's operations, sales, etc., have not deteriorated due to the loss of certain employees, and that the purchaser is receiving fully viable business units.

2. CENEX wishes to identify employees who will be important to continued operations, and to insure such employees will continue to be employed after closing, both to provide an orderly transfer of assets and to facilitate the on-going and continued operations of the acquired business units.
3. If the exploration does not result in sale, then it will be extremely important to Western Farmers that its employees be retained for the purpose of attaining projected financial results.
4. The retaining of necessary employees will also be facilitated by being able to announce an appropriate severance pay plan for employees who will not be retained after closing.

THE PLAN

Senior Management of Western Farmers has prepared for CENEX a list of the employees who are considered important to Western Farmers' operations to keep the Company intact until the date of closing of a sale, or for the on-going operations of Western Farmers, if the Company is not sold, or to assist CENEX in the event of sale. This list has been divided into appropriate categories for purposes of determining how much termination pay should be offered to the employees in each group as an inducement for them to stay in the employ of Western Farmers during the exploration period, or for purposes of determining a lump sum severance payment.

CENEX will review the list prepared by Western Farmers and give its approval of the employees to be informed of the plan by Western Farmers, and the lump sum severance payments to be offered.

CONDITIONS UNDER WHICH PAYMENT WOULD BE MADE

After a general announcement (now expected to be on or about October 2, 1981) is made to Western Farmers' employees that an agreement in principle (Letter of Intent) has been reached and that a definitive Purchase & Sale Agreement is being prepared, Western Farmers' covered employees will be told that:

1. If the covered employees stay with Western Farmers until a sale to CENEX is closed, and if they are not continuously employed by CENEX, a subsidiary of CENEX, or a CENEX affiliate, for a period of nine months from the possession date (the date of possession or assumption of the assets of WFA by CENEX) on terms and conditions equivalent to their present employment by Western Farmers Association ("equivalent" being defined as being the same salary and salary range and the same place of employment, unless the employee and CENEX mutually agree on a different place of employment), then each covered employee will receive lump sum termination pay as set forth in the list of covered employees (attached), within thirty (30) days of his or her termination.

If CENEX elects to retain covered employees under terms and conditions as outlined above, then there would be no termination pay for those employees.

2. If a sale to CENEX is not consummated, then no payments of any kind will be made to Western Farmers' employees by CENEX.
3. If the employee voluntarily quits, or is released for cause in accordance with Western Farmers' policies, during the exploration period, no payment is made by CENEX.
4. If, during the exploration period, a covered employee is released by Western Farmers because of a reduction in employment levels instituted in contemplation of pending sale to CENEX, that employee would still qualify for severance pay as herein provided.
5. Any payments made hereunder will be made by CENEX rather than by Western Farmers.
6. Termination by Western Farmers followed by the immediate hiring by CENEX, a subsidiary of CENEX, or a CENEX affiliate, of covered employees as of the date of possession by CENEX would not constitute "termination" under the terms of this plan.

7. To qualify as a covered employee, a person must have been in the employment of Western Farmers for at least two (2) months prior to termination of his or her employment.

Exhibit "X"

PURCHASE AND SALE AGREEMENT

THIS AGREEMENT, dated effective the 26th day of September, 1977, by and between FARMERS UNION CENTRAL EXCHANGE, INCORPORATED, a Minnesota corporation (hereinafter called "CENEX"), and PACIFIC SUPPLY COOPERATIVE, an Oregon corporation (hereinafter called "Pacific");

W I T N E S S E T H:

Pacific desires to sell and CENEX desires to purchase the real and personal property comprising substantially all of the assets of Pacific pursuant to the terms and conditions hereinafter set forth.

NOW, THEREFORE, in consideration of the foregoing and the mutual covenants and agreements herein contained, IT IS AGREED by and between the parties hereto as follows:

1. AGREEMENT TO PURCHASE AND SELL ASSETS. Subject to the terms and conditions hereof, on the closing date (hereinafter specified in Paragraph 11 and hereinafter called the "Closing Date"), CENEX will purchase and Pacific will sell, transfer, assign and convey to CENEX effective at the possession time (hereinafter specified in Paragraph 11 and hereinafter called the "Possession Date"), substantially all of the assets of Pacific subject to all liabilities of Pacific (including indirect liabilities of Pacific through its subsidiary corporations identified in Paragraph 8(a) below and hereinafter called the "Subsidiaries"), existing at the Possession Date as reflected in the certified audit to be conducted as provided in Paragraphs 3 and 4 hereof, BUT EXCLUDING THEREFROM, HOWEVER, the assets or liabilities shown in Exhibit "B" appended hereto.

2. RIGHTS, OBLIGATIONS OR LIABILITIES TO BE ASSUMED BY CENEX. It is understood and agreed that at the Possession Date CENEX shall receive and assume and shall pay and perform all "material" (as the term "material" is used in the cooperative supply industry) con-

tracts and other "material" rights (including but not limited to the non-exclusive right to use the name "Pacific Supply Cooperative"), debts, liabilities, undertakings, contracts or obligations (hereinafter called "Rights, Obligations or Liabilities") of Pacific or the Subsidiaries connected with the business of Pacific or the Subsidiaries which are shown on Exhibit "A" appended hereto and, if applicable, which are included in or referred to in the certified audit to be conducted as provided herein which are part of the business operations of Pacific or the Subsidiaries as of the Possession Date. Pacific has furnished or will furnish to CENEX, no later than ten (10) days prior to the Closing Date, true, correct and complete copies of all material instruments or documents relating to the Rights, Obligations or Liabilities to be received and assumed by CENEX hereunder or summary statements of all material undertakings or other items constituting Rights, Obligations or Liabilities to be received and assumed by CENEX hereunder as to which there are no material instruments or documents. As of the date hereof, no officer of Pacific has any knowledge of any material default in any obligation to be performed by Pacific or the Subsidiaries under any contract or agreement constituting Rights, Obligations or Liabilities. CENEX recognizes that Pacific and the Subsidiaries also are subject to or are parties to many other "immaterial" or "minor" (as the terms "immaterial" or "minor" are used in the cooperative supply industry) contracts, rights, liabilities, undertakings, or obligations (hereinafter called "Immaterial Items"). Due to the short period of time between the date of execution of this Agreement and the Closing Date, CENEX agrees that Pacific need not furnish CENEX with a complete schedule of all such Immaterial Items prior to the Closing Date; provided, however, Pacific agrees to exert its best efforts to furnish CENEX with a schedule listing as many of such Immaterial Items as possible prior to the Closing. At Closing, Pacific will assign and CENEX will assume all Rights, Obligations or

Liabilities and all Immaterial Items as are assignable. With respect to any contracts, rights, liabilities, undertakings or obligations comprising Rights, Obligations or Liabilities or Immaterial Items which require the consent or approval of a third party or parties as a condition precedent to any sale, transfer, assignment or conveyance, CENEX agrees to assume the obligations and liabilities of Pacific thereunder notwithstanding the absence of consent or approval of such third party or parties; and Pacific agrees to use its best efforts (both prior to and subsequent to the Closing), to obtain the consent or approval of such third party or parties. In connection with the assumption by CENEX of all Immaterial Items, Pacific agrees that to the extent obligations or liabilities pertaining to any such Immaterial Items are not stated in the balance sheet accompanying the certified audit to be conducted pursuant to Paragraph 4 hereof, then, to the extent the cumulative aggregate cost to CENEX of performing any such obligations (exclusive of supply contracts) or satisfying any such liabilities exceeds \$2,000, such cost shall be deemed to be a pre-closing liability subject to the right of set-off by CENEX as provided in Paragraph 5(b) below. CENEX may at any time prior to the Closing Date request Pacific to give (or cause to be given) notice of termination of any such contracts or agreements or other obligations or request Pacific to obtain a modification of any such contract or agreement or other obligations, and Pacific agrees to use its best efforts to carry out such requests. CENEX agrees to save harmless, defend and indemnify Pacific from any claim resulting from any unlawful termination of any contracts or agreements or other obligations pursuant to requests hereunder by CENEX prior to the Closing Date or any unlawful termination of such contracts or agreements or other obligations by CENEX subsequent to the Closing Date. It also is understood and agreed that the assets, rights, debts, liabilities, undertakings, contracts, obligations or liabilities referred to above in the Preamble and described in Exhibit

"B" (hereinafter called "Excluded Items") shall not be sold, transferred, assigned or conveyed to CENEX and CENEX shall not receive or assume, pay or perform any contract or other rights, debts, liabilities, undertakings or obligations comprising such Excluded Items and Pacific agrees to save harmless, defend and indemnify CENEX from any and all claims or liabilities arising from such Excluded Items.

3. PURCHASE PRICE AND NET PURCHASE PRICE. The Purchase Price for the assets to be sold, transferred, assigned and conveyed hereunder shall be an amount equal to the "book value" of such assets as of the Possession Date to be determined pursuant to a certified audit to be conducted as provided in Paragraph 4 below. The term "book value" as used herein shall mean the depreciated value of the assets to be sold, transferred, assigned and conveyed hereunder as carried on the regular books and records of Pacific kept in accordance with generally accepted accounting principles consistently applied. The Net Purchase Price to be paid by CENEX to Pacific shall be an amount equal to the Purchase Price, LESS the total liabilities of Pacific to be assumed by CENEX as of the Possession Date as shown in the Certified Audit to be conducted as provided in Paragraph 4 below, and LESS the amount of \$525,000, such amount being mutually and conclusively agreed to by both parties upon consultation with their respective actuaries as being the amount by which (a) the stipulated value of all vested benefits accrued as of September 30, 1977 under the Pension Plan [described in Paragraph 8(k)] for all employees or former employees of Pacific and the Subsidiaries who are "Participants" in said Plan (as that term is used in said Plan), exceeds (b) the projected value as of September 30, 1977 of that portion of the assets allocable to said benefits to be provided for said Participants from the assets in the medium or media being used to fund benefits under said Plan.

4. DETERMINATION OF NET PURCHASE PRICE. The Net Purchase

Price shall be computed as provided in Paragraph 3 above as of the close of business on the date immediately preceding the Possession Date.

Pacific shall, at Pacific's sole cost and expense, cause a certified audit of the consolidated books and records of Pacific and the Subsidiaries to be conducted as of the close of business on said date by Pacific's independent certified public accountants. Subject to the applicable provisions of Paragraph 8 below, said certified audit shall be made in accordance with generally accepted auditing standards and shall be presented in conformity with generally accepted accounting principles; and the audit shall be subject to review and approval as to form and substance with respect to said presentation (at the sole cost and expense of CENEX) by CENEX's independent certified public accountants, Jacobson, Jentzsch & Company of Saint Paul, Minnesota.

5. PAYMENT OF NET PURCHASE PRICE. The Net Purchase Price to be paid by CENEX to Pacific for the assets to be sold, transferred, assigned and conveyed hereunder shall be paid as follows:

(a) Down Payment. CENEX shall pay to Pacific as down payment against the Net Purchase Price an amount equal to twenty percent (20%) of the Net Purchase Price as follows:

(i) Estimated Down Payment at Closing. At Closing, CENEX shall pay to Pacific as an estimated down payment an amount equal to twenty percent (20%) of the book value of the assets of Pacific and the Subsidiaries, less total liabilities of Pacific and the Subsidiaries as reflected in the consolidated certified audit of Pacific and the Subsidiaries for fiscal year ending June 30, 1977, copies of which certified audit have been furnished by Pacific to CENEX.

(ii) Adjustment of Down Payment Upon Completion of Certified Audit; Additional Down Payment. Within ten (10) days of the completion and delivery to Pacific and CENEX of the certified

audit to be conducted pursuant to the provisions of Paragraph 4 above, CENEX shall pay to Pacific or Pacific shall rebate to CENEX, as appropriate, the difference between the amount of estimated down payment paid by CENEX to Pacific at Closing and an amount equal to twenty percent (20%) of the Net Purchase Price as determined as provided above from the said certified audit. Promptly after the aforesaid adjustment has been made (but in no event later than January 27, 1978), CENEX shall pay to Pacific, as an additional down payment, an amount equal to the pay-off amount as of January 31, 1978, of those certain Certificates of Indebtedness, 7-1/4%, due 1978 to 1984 referred to in Exhibit "B" appended hereto.

(b) Installment Payment of Balance of Net Purchase Price.

Subject to the right of set off reserved by CENEX as provided below, within ten (10) days of payment by CENEX of the additional down payment as provided above, the balance of the Net Purchase Price shall be determined and shall be paid by CENEX to Pacific in four (4) equal consecutive annual installments, without payment of interest on the unpaid balance thereof. The first such payment shall be made one (1) year after the Possession Date and the remaining payments shall be made on each of the three (3) successive anniversary dates thereafter until the Net Purchase Price shall have been paid in full. CENEX shall have the right to repay all or any portion of the aforesaid indebtedness (including prepayment by set off as provided below) at any time and from time to time without penalty and without notice. The aforesaid indebtedness shall be evidenced by a promissory note in the form of Exhibit "C" appended hereto, which promissory note shall be subject to and incorporate the applicable provisions of this Agreement by reference. Notwithstanding anything contained in the foregoing to the contrary, CENEX reserves the right to set off and deduct from all payments due hereunder (and the Promissory Note evidencing such indebtedness) amounts equal to:

(i) Bad Debts. Exclusive of accounts, notes and contracts receivable of Full Circle, Inc. (which receivables, if not collectible shall be excluded from the set off rights of CENEX hereunder) the net balance after exhaustion of any reserves for bad debts allocable to all accounts, notes and contracts receivable described in Exhibit "D" not paid by the obligor by the maturity date specified in Exhibit "D" and the net balance after exhaustion of any reserves for bad debts allocable to all other accounts, notes and contracts receivable not paid by the obligor within one (1) year from the Closing Date.

(ii) Pre-Closing Liabilities. All liabilities, contingent or absolute and of any nature or kind whatsoever which arise out of or relate in any way to matters pertaining to the conduct of business by Pacific or the Subsidiaries prior to the Possession Date; SPECIFICALLY EXCLUDING, HOWEVER, all pension liabilities not stated in the certified audit to be conducted pursuant to Paragraph 4 above, and all stated liabilities being assumed by CENEX hereunder up to the amount stated in the balance sheet accompanying the certified audit to be conducted pursuant to Paragraph 4 hereof; but SPECIFICALLY INCLUDING all liabilities for taxes, penalties, interest, suits, damages, awards and judgments arising out of or in any manner relating to the adoption or operation by Pacific or the Subsidiaries prior to the Possession Date of the "Pension Plan" and the "Thrift Plan" referred to in Paragraph 8(k), but excluding therefrom any sums relating to unfunded liabilities of Pacific or the Subsidiaries with regard to the Pension Plan, the amount of which has been agreed to and is referred to in Paragraph 3.

At the time CENEX asserts a set off pursuant to the foregoing rights, CENEX shall advise Pacific of the reason(s) for the set off, and upon

written request of Pacific, CENEX will assign to Pacific, without recourse, any contract, document or instrument (or proportional rights thereunder) evidencing or representing the subject matter of the set off. Exclusive of any bad debt reserves of Full Circle, Inc. which may be in excess of any charges made against such reserves (which excess amounts shall be excluded from the rebate provisions which follow), if the amount held in reserves for bad debts exceeds the amounts set off against such reserves, CENEX shall pay the amount so remaining in such reserves to Pacific as an adjustment upward in the Purchase Price (which amount, if any, shall be payable in equal annual installments, without interest on the unpaid balance thereof, at the same time as the remaining payments are due under the Promissory Note referred to above in this Paragraph 5(b) evidencing the unpaid balance of the Net Purchase Price).

6. SPECIFIC REPRESENTATIONS, WARRANTIES AND AGREEMENTS BY PACIFIC CONCERNING REAL ESTATE. Pacific hereby specifically represents, warrants and agrees as follows concerning real estate owned directly by Pacific or owned indirectly by Pacific through the Subsidiaries:

(a) Owned Real Estate. The legal descriptions of all real estate owned by Pacific or the Subsidiaries are as set forth on Exhibit "E" appended hereto. Pacific shall cause to be delivered to CENEX no later than fifteen (15) days prior to the Closing Date (unless a later date shall be agreed upon by CENEX), at Pacific's expense, a Preliminary Title Insurance Report or Reports, issued by a company or companies reasonably satisfactory to CENEX, committing such company or companies to issue an owner's policy or owner's policies of title insurance, at the expense of Pacific, in the name of CENEX or a Subsidiary (as appropriate), insuring marketable title to such premises in an amount equal to the book value thereof, free and clear of all encumbrances, except current taxes not delinquent and those encumbrances set forth on Exhibit "F" appended hereto. Pacific further agrees that upon

request of CENEX, Pacific will request that the company or companies issuing such Preliminary Title Insurance Report or Reports to increase the coverage on such premises to an amount requested by CENEX. CENEX agrees to pay the additional cost of such increased coverage. CENEX shall be allowed twelve (12) days after receipt of the aforesaid Preliminary Title Insurance Report(s) for examination of title from such Preliminary Title Insurance Report(s) and the making of any objections thereto, said objections to be made in writing or be deemed to have been waived. Existing mortgages on any parcel(s) of such real estate being assumed by CENEX directly from Pacific or indirectly through the Subsidiaries pursuant to the provisions of Paragraph 2 hereof and of any rights reserved in Federal Patents or State deeds or building or use restrictions general to the district, or building or zoning regulations or utility easements or assessments by Special Improvement Districts shall not be deemed to constitute liens, defects or encumbrances. If any objections are so made to any parcel or parcels of real estate, CENEX shall have the option of (i) eliminating ab initio such parcel(s) from the assets to be sold, transferred and conveyed to CENEX hereunder (whether directly from Pacific or indirectly through transfer of stock in the Subsidiaries) and reducing the Purchase Price by an amount equal to the book value of such parcel(s), or (ii) taking such parcel(s) subject to deduction from the Net Purchase Price of an amount to be mutually agreed upon between CENEX and Pacific to cover the expenses of correcting such title defects, or (iii) electing to waive such defects and taking such parcel(s) subject to such defects. Except where record title to such real estate is in the name of any of the Subsidiaries (in which case no conveyance of title will occur), all real estate included as part of the assets to be sold, transferred and conveyed to CENEX hereunder shall be conveyed by Warranty Deed free and clear of all encumbrances or defects except as herein provided or as otherwise agreed

by CENEX. Pacific agrees to pay all taxes of any nature or kind whatsoever arising out of the transfer of such real estate to CENEX.

(b) Leased Real Estate. The lease number and location of all real estate leased by Pacific or the Subsidiaries, together with the names and addresses of the parties to the lease agreements, are set forth in Exhibit "G" appended hereto. True and correct copies of said leases shall be delivered to CENEX no later than ten (10) days prior to the Closing Date. Where Pacific is the lessee of such real estate, Pacific has the right (or, if not, Pacific shall have the right prior to the Closing Date) to assign its leasehold interests in all such real estate to CENEX. The assignments of Pacific's leasehold interests in such real estate shall be by standard or usual instruments approved by counsel for CENEX. Pacific agrees to pay all taxes of any nature or kind whatsoever arising out of the assignments of such leasehold interests to CENEX.

7. SPECIFIC REPRESENTATIONS, WARRANTIES AND AGREEMENTS BY PACIFIC CONCERNING PERSONAL PROPERTY. Pacific hereby specifically represents, warrants and agrees as follows concerning personal property in which Pacific or the Subsidiaries have interests:

(a) Owned Personal Property. Pacific or the Subsidiaries have good and marketable title to all personal property (including to the extent provided by their terms, contract rights, instruments and general intangibles, but excluding existing liens or security interests thereon being assumed by CENEX pursuant to Paragraph 2 above, and also excluding real estate leases covered by the provisions of Paragraph 6(b) above) included as part of the assets to be sold, transferred and conveyed hereunder (whether directly from Pacific or indirectly through transfer of Pacific's stock in the Subsidiaries), free and clear of all defects and encumbrances, except as disclosed on Exhibit "H" appended hereto. On the Closing Date, all machinery and equipment included as

part of such owned personal property shall be in the same condition as when it was last inspected by CENEX (within 60 days prior to the Closing Date), ordinary wear and tear excepted, and all inventory included as part of such personal property shall be in the same condition as when it was last inspected by CENEX (within 60 days prior to the Closing Date); or, if acquired by Pacific after the last inspection by CENEX, it shall be current and usable in the case of the supply inventory and of merchantable quality in the case of stock-in-trade inventory. All personal property owned by Pacific shall be sold, transferred and conveyed to CENEX by standard instruments approved by counsel for CENEX. CENEX shall pay all taxes assessed against buyers of tangible personal property not purchased for resale to others which may arise from the transfer of such personal property to CENEX. Pacific agrees to pay all other taxes of any nature or kind whatsoever arising out of the transfer of such personal property to CENEX.

(b) Leased Personal Property. Pacific has good and marketable title to all leasehold interests to be assigned, transferred and conveyed to CENEX (excluding real estate leases covered by the provisions of Paragraph 6(b) above), free and clear of all defects and encumbrances except as disclosed on Exhibit "I" appended hereto. Pacific has the right (or, if not, Pacific shall have the right prior to the Closing Date) to assign its leasehold interests in all such personal property to CENEX. The change in ownership of the Subsidiaries from Pacific to CENEX as contemplated in this Agreement shall not affect the leasehold interests of the Subsidiaries. The assignments of Pacific's leasehold interests in such personal property shall be by standard or usual instruments approved by counsel for CENEX. Pacific agrees to pay all taxes of any nature or kind whatsoever arising out of the assignments of such leasehold interests to CENEX.

8. GENERAL WARRANTIES BY PACIFIC. In addition to the speci-

fic representations, warranties, and agreements of Pacific set forth elsewhere in this Agreement, Pacific hereby generally represents and warrants to CENEX as follows:

(a) Corporate Status of Pacific and the Subsidiaries.

Pacific is a corporation duly organized, validly existing and in good standing under the laws of the State of Oregon, and has all requisite corporate power and authority to own property and to carry on its business as and where it is presently being conducted. Full Circle, Inc.; Pacific Data Services, Inc.; and Pacific-Northwest Purchasing & Sales International, Inc. (representing all of the wholly owned subsidiary corporations of Pacific) and Pacific Agricultural Credit Corporation (a partially owned subsidiary corporation of Pacific) are all corporations duly organized, validly existing and in good standing under the State of Oregon, and they have all requisite corporate power and authority to own property and carry on their businesses as and where it is presently being conducted. No consent is required from any of the Subsidiaries relative to the transactions covered by this Agreement.

(b) Authority. The execution of this Agreement by Pacific is subject to approval by the Members and Shareholders of Pacific as required by the Oregon Cooperative Corporation Act and the Articles and Bylaws of Pacific. Prior to the Closing Date, Pacific will request such approval from its Members and Shareholders. Upon receipt of such approval the provisions of this Agreement will be valid and binding upon Pacific in accordance with their terms. However, if the Members and Shareholders of Pacific do not approve the execution of this Agreement, then the provisions of this agreement shall be terminated automatically and Pacific and CENEX thereupon shall be released from all liability to consummate the transactions contemplated by this Agreement.

(c) June 30, 1977, Audited Consolidated Financial and Absence of Certain Changes. The audited Consolidated Financial State-

ments of Pacific and the Subsidiaries as of June 30, 1977, which have been delivered to CENEX by Pacific, present fairly the consolidated operations and financial condition of Pacific and the Subsidiaries as of June 30, 1977, and said Financial Statements have been prepared in accordance with generally accepted accounting principles consistently applied in a manner consistent with prior statements. Since June 30, 1977, there have been no undisclosed material adverse changes in the nature of the business or the financial condition of Pacific or the Subsidiaries; and the Officers and Directors of Pacific have no knowledge of any proposed changes in the contracts or commitments between Pacific and the Subsidiaries and any of their suppliers or customers. The Officers and Directors of Pacific have no knowledge of any other events which have occurred or which will occur which would have a material adverse effect on the nature of the business or the financial condition of Pacific or the Subsidiaries between June 30, 1977, and the Possession Date. In connection with the foregoing, CENEX understands that historically Pacific has operated at a loss during the period between June 30 and September 30 of each year and that Pacific may also operate at a loss during the period June 30, 1977, to the Possession Date. CENEX agrees that any such operating losses during the said period which follow the above-mentioned historical pattern for similar reasons as in previous years shall not constitute events which have a material adverse effect on the nature of the business or financial condition of Pacific or the Subsidiaries between June 30, 1977, and the Possession Date. In addition, CENEX acknowledges that Pacific has advised CENEX that Pacific has made certain sales or exchanges of assets and has entered into certain long-term commitments outside of the ordinary course of business since June 30, 1977 (all as summarized in that certain letter from Pacific to CENEX dated September 12, 1977) and CENEX agrees that such transactions shall not constitute events which have a material adverse

effect on the nature of the business or financial condition of Pacific or the Subsidiaries between June 30, 1977, and the Possession Date. Subject to the additional items set forth in the Proviso below or otherwise provided for in this Agreement, the audit to be conducted pursuant to Paragraph 4 hereof will show expenses accrued in accordance with generally accepted accounting principles consistently applied in a manner consistent with prior statements through the close of business on the day prior to the Possession Date allocable to pro rata adjustments for all public utilities serving property to be sold, transferred, assigned and conveyed hereunder, and also allocable to real estate taxes; PROVIDED, HOWEVER, said audit shall show accrued expenses (i) for amounts payable to employees of Pacific as accrued vacation pay, or (ii) on account of other accrued but unpaid expenses connected with fringe benefits which are not funded through trusts or insurance contracts, or (iii) for amounts payable for any accrued but unpaid insurance premiums applicable to insured fringe benefits, or (iv) on account of all contributions due from Pacific and the Subsidiaries to the "Thrift Plan" as that term is defined in Paragraph 8(k).

(d) Receivables. The accounts, notes and contracts receivable of Pacific to be assigned to CENEX under this Agreement and disclosed in the certified audit to be conducted pursuant to Paragraph 4 hereof (i) shall be bona fide obligations of the debtors in question and the amounts disclosed on the books and records of Pacific as of said date; (ii) shall have arisen in the ordinary course of business of Pacific; (iii) shall be subject to no off-sets, counterclaims, refunds or credits whatsoever except such credits as arise in the ordinary course of business; and (iv) subject to the exclusion set forth in Paragraph 5(b) above with respect to receivables of Full Circle, Inc., shall, if not collectible by the maturity date specified in Exhibit "E" or within one (1) year of the Possession Date, as applicable, be subject

to the set off provisions of Paragraph 5(b) above.

(e) Compliance with Ordinances and Regulations in the Use and Ownership of Assets. The use and ownership of the assets of the business of Pacific and the Subsidiaries (including all real estate, buildings and machinery used by and under the provisions of any lease) do not violate any restrictive covenant, or any provision of any Federal, State or local law or ordinance or regulation (including zoning regulations), except in such minor or immaterial respect as do not affect the marketability of such property and do not interfere with or prevent the present and continued use of same for the purposes for which they are now being used.

(f) Pending Litigation, Claims or Actions, Proceedings or Investigations. There is no action, proceeding or investigation by an administrative or regulatory body or any other person which has been commenced or is pending or threatened against Pacific, the Subsidiaries, or any of the assets which are the subject of this Agreement, or any properties leased by Pacific, or the Subsidiaries, or the owner of any such properties, except as have arisen in the ordinary course of business and are adequately covered by insurance or are adequately reserved against on the audited financial statements of Pacific and the Subsidiaries or are listed on the Schedule of Litigation appended hereto as Exhibit "J".

(g) Taxes. All taxes payable by Pacific and the Subsidiaries, including, without limitation, Federal, State and foreign income, franchise, sales, use, occupancy, or other taxes (with respect to the assets to be transferred pursuant to this Agreement) have been or will be fully paid or adequately reserved for payment when due and shall be shown on the audited financial statements to be prepared pursuant to Paragraph 4 hereof.

(h) Employment Agreements. Pacific represents that

except as shown in Exhibit "K" appended hereto, Pacific and the Subsidiaries have no employment contracts with any of their employees as of the date hereof and will not have any as of the Possession Date. Pacific covenants to save harmless and defend CENEX from any payments or liabilities arising out of alleged unfair labor practices occurring prior to the Possession Date. Pacific has furnished CENEX with a schedule of all employees, listing the names and compensation of each person receiving compensation. Pacific has completed its employee compensation adjustments for fiscal year 1976-1977 and there will be no further increases between the date hereof and the Possession Date, other than routine increases consistent with Pacific's normal practices (but in no event will there be any substantial increases to any individual employee).

(i) Default in Other Agreements. Neither execution of this Agreement nor the consummation of the transactions contemplated by this Agreement constitute a violation of, or are or will be in conflict with or are or will constitute a default under, any term or provisions of any contract, indenture, or other agreement or instrument to which Pacific or any of the Subsidiaries is a party except as set forth in Exhibit "I" appended hereto.

(j) Brokerage and Other Fees. All negotiations on the part of Pacific relative to this Agreement and the transactions contemplated hereby have been carried on by Pacific directly with CENEX, and there are no brokers or agents representing Pacific with regard to the sale and purchase herein contemplated; and any fees for services -- legal, accounting, or otherwise -- incurred by Pacific in connection herewith, shall be the sole obligation of Pacific.

(k) Pension and/or Profit Sharing Plans.

(i) Existing plans. Pacific has not, on its own behalf or through its Subsidiaries, adopted any form of deferred compensation plan other than:

(1) that certain pension plan referred to as the "original" or "basic" plan and which is contained in a document entitled "Pacific Supply Cooperative Employees Retirement Plan" which was restated effective January 1, 1976, which plan is in this paragraph (k) referred to as the "Pension Plan"; and

(2) that certain profit sharing or thrift plan known as the "Investment Growth Plan" or the "IGP Plan" which is likewise contained in the document heretofore referred to and which is in this paragraph (k) referred to as the "Thrift Plan." Pacific has (and as of the Possession Date will have) operated and administered said Plans and the medium or media funding them in full compliance with the U.S. Internal Revenue Code and the provisions of the Employee Retirement Income Security Act of 1974 and of all current proposed, temporary or final regulations applicable from time to time. Pacific covenants and agrees to save and hold CENEX harmless from all liability (including costs and expenses connected with any claim of liability) directly or indirectly connected with the operation and administration of either of the Plans prior to the Possession Date specifically including, but not by way of limitation, any such liability for taxes or other consequences of investments which have been made with assets of such funding media; and specifically excluding any sums relating to unfunded liabilities of Pacific or the Subsidiaries with regard to the Pension Plan, the amount of which has been agreed to and has been referred to in Paragraph 3.

(ii) Adoption of plans. Pacific, on behalf of itself and each of the Subsidiaries, has duly adopted both the Pension Plan and the Thrift Plan for the benefit of their respective employees.

(iii) IRS determination letters. Prior to the restatement of said Plans (January 1, 1976) (heretofore referred

to), Pacific had received a determination letter from the U.S. Internal Revenue Service (hereinafter in this paragraph (k) called "IRS") to the effect that the adoption by Pacific of both of said Plans resulted in the adoption of plans which were qualified under the provisions of Section 401(a) of the U.S. Internal Revenue Code of 1954 as amended (the "Code") and that the medium or media being used to fund benefits under said Plans was an exempt organization under the provisions of Section 501(a) of said Code. On or before the second annual installment payment of the Net Purchase Price, Pacific on its own behalf and on behalf of the Subsidiaries at Pacific's expense will have received favorable determinations from the IRS to the effect that the restatement of both Plans (with such amendments or changes as may have been approved by CENEX) will not affect their qualified status under the Code, or the exempt status under the Code of the medium or media being used to fund benefits under said Plans.

(iv) Amendments. Prior to the Possession Date, Pacific shall amend both of said Plans (and, if necessary, the agreements creating their respective funding media) in form and in substance satisfactory to CENEX as follows:

(1) so as to provide the means by which CENEX may become successor to Pacific as the "Corporation" (as that term is used in said Plans) and as the entity referred to in all funding media which has the rights, powers and duties now enjoyed by Pacific under the documents dealing with said media;

(2) so as to provide that the transfer (without any intervening period of unemployment) of all employees of Pacific to employment with CENEX shall not constitute a termination of employment under either of said Plans;

(3) to provide (in Section 12.1 of the restatement of said Plans) that both Plans will be administered by CENEX through its board of directors and that the "Retirement

Committee" (as said term is used in said Plans) shall be composed of at least three persons at least one of whom shall be a "Participant" who is an "Employee" (as said terms are used in said Plans);

(4) to provide a means whereby the "Corporation" may withdraw as a Participating Employer under both Plans without terminating the Plans with regard to all other Participating Employers;

(5) so as to provide that no employee of CENEX who was not an employee of Pacific or one of the Subsidiaries on or before Possession Date shall be eligible to become a "Participant" in either of said Plans after Possession Date, without being included in a group of employees designated as eligible by the president of CENEX.

(v) Board of Directors Action. Prior to the Possession Date, Pacific's board of directors shall have taken all action necessary for it to take under the amendments described in subparagraph (iv)(1), so as to allow CENEX to become the successor to Pacific as the "Corporation" under both plans, as of the Possession Date.

(vi) Prior Reports and Disclosures. Pacific on its own behalf and on behalf of the Subsidiaries has timely filed and/or made (and as of the Possession Date has or will have filed and/or made) all reports and disclosures to such state and/or federal agencies and participants in said Plans or their beneficiaries as may be required by state or federal law and current regulations to have been filed and/or made as of the Possession Date. Pacific is not liable for any taxes or penalties by reason of having failed to make and/or file any such reports and disclosures.

9. REPRESENTATIONS AND WARRANTIES BY CENEX. CENEX hereby represents and warrants as follows:

(a) Organization and Standing. CENEX is a corporation duly organized and existing in good standing under the laws of the State of Minnesota, and has full corporate powers to carry on its business as now conducted. CENEX has delivered to Pacific copies of its annual report showing the operations and financial condition of CENEX for the year ended September 30, 1976. Since September 30, 1976, to the actual knowledge of the officers of CENEX, there have been no material changes adversely affecting the operations or financial condition of CENEX.

(b) Authority. The execution and performance of this Agreement by CENEX has been duly authorized by the Board of Directors of CENEX. No approval of the Members of CENEX is necessary for such execution and delivery. Neither the execution nor delivery of this Agreement by CENEX nor its performance by CENEX will result in the breach of any term or provisions of, or constitute a default under, any indenture, mortgage, deed of trust or other agreement to which CENEX is a party.

(c) Brokerage and Other Fees. All negotiations on the part of CENEX relative to this Agreement and the transactions contemplated hereby have been carried on by CENEX directly with Pacific and there are no brokers or agents representing CENEX with regard to the sale and purchase herein contemplated; and any fees for services -- legal, accounting, or otherwise -- incurred by CENEX in connection herewith, shall be the sole obligation of CENEX.

(d) Deferred Compensation Plans.

(i) As of the Possession Date, CENEX will consent to be substituted for Pacific as the "Corporation" as that term is used in both the "Pension Plan" and the "Thrift Plan" referred to in Paragraph 8(k) and, for the immediate future, CENEX will continue with all the rights, powers, duties and obligations imposed on the "Corporation" for the benefit of all Participating Employers under both of said Plans.

(ii) On and after the Possession Date, CENEX will not be obligated to continue as a Participating Employer in the Thrift Plan for the benefit of those employees of Pacific who become CENEX employees as of the Possession Date.

(iii) On and After the Possession Date, CENEX will not be obligated, as the parent corporation of the Subsidiaries, to cause any of the Subsidiaries to continue as Participating Employers in the Thrift Plan for the benefit of any of the employees of any of the Subsidiaries.

(iv) As of the Possession Date, CENEX will continue (and will cause the Subsidiaries to continue) as a Participating Employer in the Pension Plan; however, at some date after the Possession Date CENEX may cease to be a Participating Employer in the Pension Plan and may cause one or more of the Subsidiaries to likewise cease to be a Participating Employer in such plan. In that event, CENEX will provide for those employees of CENEX (and those employees of a Subsidiary which CENEX causes to cease to be such a Participating Employer) who were both "Employees" and "Participants" (as those terms are used in the Pension Plan) in the Pension Plan as of September 30, 1977, a benefit under a CENEX pension plan (hereinafter "CENEX Plan") which is equal to or greater than the benefit each such employee would have been entitled to receive on September 30, 1977, if the Pension Plan had terminated on September 30, 1977, and there had then been funds in the media being used to fund benefits under said Plan, adequate to meet all vested benefits then accrued, and such employee's benefit had been governed by the provisions of Section 401(a)(12) and 414(1) of the U. S. Internal Revenue Code as amended and such regulations as are current at such future date after the Possession Date. Any such employee who, upon becoming an employee of CENEX, becomes covered by a collective bargaining agreement which does not provide that such

employee shall be covered by the CENEX Plan shall cease to accrue benefits under the Pension Plan at the time such employee becomes covered by such collective bargaining agreement and shall not thereafter accrue benefits under the Pension Plan or the CENEX Plan unless a subsequent collective bargaining agreement specifically provides therefor. In addition, for purposes of vesting and benefit accrual CENEX will give credit to each employee described in this subparagraph (other than employees described in the previous sentence) for service such employee had under the Pension Plan up to the date such employee becomes covered under the CENEX Plan but for a total not to exceed 25 years for such service.

10. CONDUCT OF BUSINESS OPERATIONS BY PACIFIC AND THE SUBSIDIARIES PRIOR TO THE CLOSING DATE. Pacific covenants and agrees that Pacific and the Subsidiaries will continue to conduct their businesses diligently and only in the ordinary course, and Pacific further agrees that except as otherwise consented to or approved by CENEX in writing, the business of Pacific and the Subsidiaries will be conducted only in the ordinary course. Without limitation of the foregoing, Pacific hereby specifically agrees that without prior written consent of CENEX:

(a) Encumbrance or Disposition of Assets. No mortgage or pledge or assignment of any of the assets being sold, transferred, assigned and conveyed hereunder, or any other disposition of any such assets, otherwise than in the ordinary course of business, shall be made.

(b) Capital Expenditures. No capital expenditures, other than ordinary repairs or maintenance, will be initiated by Pacific with respect to the assets to be sold, transferred and conveyed hereunder.

11. CLOSING DATE AND POSSESSION DATE. Unless the Closing Date is changed as provided below, the Closing shall take place at 10:00 a.m., P.D.T., on September 30, 1977 (the "Closing Date") at the offices of Pacific in Portland, Oregon, or at such other hour or place as the parties

may agree; and the possession or assumption of the assets, as appropriate, shall be deemed to take place at 12:01 o'clock a.m., P.D.T. on October 1, 1977 (the "Possession Date"). Pacific and CENEX agree that the Closing Date set forth above may be changed by mutual agreement between the parties. At the Closing, Pacific shall deliver the deeds, lease assignments, instruments of transfer, and other documents and instruments provided for in this Agreement dated with an effective date of the Possession Date. At the Closing, CENEX shall execute such assumptions and other instruments that may be reasonably requested by Pacific to evidence its covenants and agreements as set forth in this Agreement. Title to and risk of loss or destruction or damage of any of the assets sold, transferred, assigned and conveyed hereunder shall pass to CENEX as of the Possession Date.

12. ACCESS. Pacific covenants and agrees that during the period prior to and subsequent to the Closing Date, CENEX and its representatives shall have full access during normal business hours to Pacific's properties, books, contracts, commitments and records pertaining to the assets to be sold, transferred, assigned and conveyed hereunder and Pacific will furnish to CENEX all information reasonably requested by CENEX pertaining to such assets.

13. BULK TRANSFER. Pacific agrees to save harmless and defend CENEX from and against any and all claims and actions which may be asserted or initiated against CENEX or the assets to be sold, transferred, assigned and conveyed hereunder, and against any and all losses, damages, or expenses sustained by CENEX in connection with the transactions contemplated by this Agreement by reason of any non-compliance by Pacific with any laws relating to Bulk Transfers.

14. CONDITIONS PRECEDENT TO OBLIGATIONS OF PACIFIC. All of the obligations of Pacific under this Agreement are subject to the fulfillment, prior to or at the Closing Date, of each of the following conditions:

(a) Material Discrepancies or Breaches. Pacific shall not have discovered any material error, misstatement or omission in the representations and warranties made by CENEX in this Agreement; or a material breach in the undertakings and agreements of CENEX set forth in this Agreement.

(b) Continuing Warranties. CENEX's representations and warranties contained in this Agreement shall be deemed to have been made at and as of the Closing Date and shall then be true in all material respects.

(c) Certificate of Authority. CENEX shall deliver to Pacific at the Closing a certified copy of the Resolutions evidencing the approval and authority of CENEX to enter into this Agreement and to complete the transactions contemplated hereby.

(d) Opinion of Counsel. CENEX shall deliver to Pacific an opinion, dated as of the Closing Date, of their counsel, Messrs. Doherty, Rumble & Butler, in form and substance satisfactory to counsel for Pacific to the effect that:

(i) CENEX is a corporation duly organized, validly existing and in good standing under the laws of the State of Minnesota; and

(ii) The execution, delivery and performance by CENEX of this Agreement has been duly authorized and approved by all requisite action of the Board of Directors of CENEX, and has been duly executed and delivered to Pacific and constitutes a valid and binding obligation of CENEX in accordance with its terms.

In rendering its opinion, counsel for CENEX may rely on certificates of officers of CENEX and such other evidence as they may deem necessary or desirable.

15. CONDITIONS PRECEDENT TO OBLIGATIONS OF CENEX. All of the obligations of CENEX under this Agreement are subject to the fulfillment, prior to or at the Closing Date, of each of the following:

(a) Material Discrepancies or Breaches. CENEX shall not have discovered any material error, misstatement or omission in the representations and warranties made by Pacific herein; or a material breach in the undertakings and agreements by Pacific set forth in this Agreement.

(b) Continuing Warranties. All representations and warranties by Pacific which are contained in this Agreement or in any written statement which shall be delivered by Pacific to CENEX pursuant to this Agreement, shall be true on and as of the Closing Date as though made on such date.

(c) Performance of Conditions. Pacific shall have performed and complied with all agreements and conditions required by this Agreement to be performed and complied with by it on or before the Closing Date.

(d) Approval of Sale. The sale, transfer, assignment and conveyance of assets as provided in this Agreement shall have been approved by all persons (including Members and Shareholders of Pacific) as required by Pacific's Articles of Incorporation, by its Bylaws, and the laws of the State of Oregon; and Pacific shall deliver to CENEX a Certificate, dated as of the Closing Date, executed and verified by Pacific's President and Secretary, certifying to the fulfillment of the conditions specified in this Subparagraph 15(d).

(e) Opinion of Counsel. Pacific shall deliver to CENEX an opinion of its counsel, Messrs. Gilbertson, Brownstein, Sweeney & Kerr, dated as of the Closing Date in form and substance satisfactory to counsel for CENEX, to the effect that:

(i) Pacific and the Subsidiary are corporations duly organized and existing in good standing under the laws of the State of Oregon, and are duly qualified to do business in all other states in which the nature of their business requires qualification;

(ii) All corporate and other proceedings required by law and Pacific's Articles of Incorporation or Bylaws, and by the provisions of this Agreement to be taken by Pacific on or prior to the Closing Date in connection with the consummation of the transactions contemplated by this Agreement have been duly and validly taken;

(iii) Pacific has complete and unrestricted power to sell, transfer, assign, convey and deliver to CENEX in accordance with the applicable provisions of this Agreement all of the assets to be sold, transferred, assigned, conveyed and delivered by Pacific under this Agreement; and

(iv) This Agreement and the instruments executed and delivered by Pacific to CENEX under this Agreement are duly and properly authorized, executed and delivered, and are binding and effective in accordance with their terms.

In rendering its opinion, counsel for Pacific may rely on Certificates of Officers of Pacific and such other evidence as he may deem necessary or desirable.

16. POST-CLOSING AGREEMENTS BETWEEN CENEX AND PACIFIC. Subsequent to the Closing, CENEX and Pacific agree as follows concerning relations between CENEX, Pacific and their Members:

(a) Board of Directors of CENEX. The Articles of Incorporation of CENEX now provide for one (1) Director to be a resident of any one of the States of Washington, Oregon, or Idaho. The Board of Directors of CENEX have agreed to recommend to the Stockholders of CENEX that the Articles of Incorporation of CENEX be amended to add two (2) new seats on its Board, which two (2) new members shall be residents of any one of the States of Washington, Oregon, Idaho or Utah. In the election of such new Directors (as well as in the selection of annual meeting delegates), the former Pacific Shareholders which subsequently acquire common stock in CENEX will participate in voting in the same manner as other CENEX stockholders located in said States.

(b) Service Expenses. CENEX agrees that the service expenses to be paid by CENEX for the purpose of promotion and encouragement of cooperative education, organization and principles, relating to Pacific-affiliated cooperatives shall be determined using such formula as CENEX uses to determine expenditures to State Farmers Union and Grange Organizations, and that such service expenses shall be paid by CENEX (as specified by each Pacific-affiliated cooperative) to the State Farmers Union or State Grange or the National Council of Farmer Cooperatives or the American Institute of Cooperation.

(c) Furnishing of Petroleum and Fertilizer Supplies By CENEX. CENEX will offer to supply cooperatives affiliated with Pacific with their required refined petroleum and fertilizer products as outlined in the Schedule attached to that certain letter dated June 10, 1977, from the President of CENEX to the President of Pacific summarizing items to be covered in any purchase agreement between the parties hereto; provided, however, Pacific understands and agrees that in the event shortages should develop in supplies of refined petroleum and fertilizer products, CENEX would allocate all such products available to CENEX on an equitable basis among all cooperatives then affiliated with CENEX.

(d) Offer of Common Stock in CENEX; Qualification for Payment of Patronage Dividends. Within sixty (60) days following the Possession Date, CENEX agrees to offer one (1) share of CENEX Common Stock to each holder of record as of the Possession Date of Class A Common Membership Stock of Pacific at a purchase price of \$25.00 per share, payable in cash. CENEX also agrees that all purchases of goods from CENEX from and after the Possession Date shall qualify for payment of patronage dividends.

(e) Personnel. CENEX and Pacific share a joint concern about the effect upon employees of the transactions contemplated by this Agreement. CENEX proposes to place a high priority on working out a program whereby most long-term or career employees of Pacific and the

Subsidiaries who are willing to transfer their employment to CENEX could be retained subsequent to the Closing. Every effort will be made by CENEX to achieve the best utilization of employees of Pacific and the Subsidiaries and CENEX. It is agreed by CENEX that no short- or long-term permanent full-time employees (but excluding seasonal or part-time employees) of Pacific or the Subsidiaries will be displaced during a one-year transition period, other than discharges of such employees for fraud, neglect of duty, or for other similar causes. In connection with the foregoing, CENEX agrees to implement an early severance guaranty program for specified key employees who are not provided equivalent employment opportunities by CENEX after the Closing; provided, however, the total cost of such payments shall not exceed \$500,000, all as outlined in that certain letter dated September 12, 1977, from Pacific to CENEX. With respect to other employees of Pacific and the Subsidiaries, for a period of two (2) years from and after the Possession Date, CENEX agrees to provide special severance pay to any such full-time employee terminated by CENEX as a result of the acquisition. Such severance compensation will be calculated by reference to the regular base earnings of each such employee and will be paid as follows:

<u>Years of Service</u>	<u>Severance Pay</u>
Less than two years (minimum)	Two weeks pay
Between two and five years	One months pay
Between five and ten years	Two months pay
Between ten and fifteen years	Three months pay
Between fifteen and twenty years	Four months pay
Between twenty and twenty-five years	Five months pay
Over twenty-five years (maximum)	Six months pay

Also, for employees whose years of service exceed two but are less than twenty-five, one week's pay would be added to the above severance pay for each year of service between the years shown above. For example, a sixteen-year employee would receive pay for four months and one week.

For employees who continue in the employment of CENEX, years of prior service with Pacific or the Subsidiaries will count as years of service

with CENEX for purposes of vacation and sick leave benefits. Employee benefits pertaining to deferred compensation programs are covered in Paragraphs 8(k) and 9(d) above.

17. ADDITIONAL INSTRUMENTS AND FURTHER ASSURANCES. Pacific agrees, from time to time, upon the request of CENEX, to execute and deliver to CENEX such other instruments of sale, transfer, assignment and conveyance and to take such other action as CENEX may reasonably request more effectively to vest ownership in CENEX and to put CENEX in possession of all assets to be sold, transferred, assigned and conveyed hereunder. CENEX agrees, from time to time, to execute and deliver to Pacific such additional instruments and to take such additional actions as Pacific may reasonably request to evidence the assumptions, covenants and agreements of CENEX under this Agreement.

18. TERMINATION. In addition to the automatic termination provisions of Paragraph 8(b) above, this Agreement may be terminated and the transactions contemplated herein abandoned by either party on or at any time prior to the Closing Date by notice to the other party given in a manner hereinafter provided upon the happening of the following events:

(a) Default. If either party fails to observe or perform in a timely manner any of the covenants and agreements herein contained and fails to cure the same within a period of ten (10) days after notice and the other party declares a default; or

(b) Action by Government or Other Person. If any actual investigation, action or proceeding shall have been commenced against either party or there is notice of or inquiry indicating a probable investigation, action or proceeding instituted or to be instituted by any government, arm of government or governmental agency or by any private person which has as a purpose to restrain, prohibit or investigate the transactions contemplated by this Agreement or which places in question

the rights of CENEX to own, operate or control the assets to be sold, transferred, assigned and conveyed to CENEX pursuant to this Agreement; or

(c) Mutual Consent. By mutual written consent of the parties;

PROVIDED, HOWEVER, the option to declare a default and to terminate as set forth in Subparagraph (a) above shall be deemed to be an additional right of the party having the power to exercise it and it shall not relieve the other party from the obligation to perform the provisions of this Agreement or preclude an action for specific performance of the provisions of this Agreement by the party having the power to execute the option.

19. NATURE AND SURVIVAL OF REPRESENTATION, WARRANTIES AND AGREEMENTS. The representations, warranties and agreements contained in or made pursuant to this Agreement shall survive the Closing. Each party hereto shall be and remain liable to the other party for the amount of damage or loss to such party because of any inaccuracy in such representations and warranties and any failure to observe or comply with any such agreements.

20. ASSIGNMENT. This Agreement may not be assigned by either party hereto without the written consent of the other party.

21. ENTIRE AGREEMENT. This Agreement embodies the entire understanding between Pacific and CENEX and shall supersede all prior understandings relating to the subject matter hereof; and it cannot be amended, altered, enlarged, supplemented, abridged, modified, or any provisions waived except by a writing duly signed by the party affected.

22. BENEFIT. This Agreement shall bind and inure to the benefit of the parties hereto and their respective successors and permitted assigns.

23. NOTICES. All notices, requests, demands and other communications hereunder shall be in writing and shall be deemed to have been duly given if mailed, certified or registered mail, with postage prepaid,

(a) If to CENEX, to:

Farmers Union Central Exchange, Incorporated
P.O. Box 43089
Saint Paul, Minnesota 55164

Attention: Charles Habergarten, Esq.

with copy to:

Doherty, Rumble & Butler
E-1500 First National Bank Building
Saint Paul, Minnesota 55101

Attention: Eugene M. Warlich, Esq. and
Thomas E. Rohricht, Esq.

(b) If to Pacific, to:

Pacific Supply Cooperative
815 Northeast Davis Street
Portland, Oregon 97208

Attention: President

with copy to:

Gilbertson, Brownstein, Sweeney & Kerr
1100 Yeon Building
Portland, Oregon 97204

Attention: John R. Gilbertson, Esq.

(c) To such other person and place as Pacific or CENEX shall respectively designate in the foregoing manner to the other party.

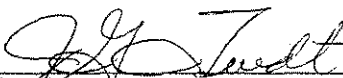
24. COUNTERPARTS. This Agreement shall be executed in several counterparts, each of which shall be deemed to be an original, but all of which shall constitute one and the same instrument.


25. GOVERNING LAW. This Agreement shall be governed by and construed under the laws of the State of Minnesota.

26. HEADINGS AND CAPTIONS. The headings and captions in the paragraphs and sections of this Agreement are inserted for convenience of reference only and shall not constitute a part hereof.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement in several original counterparts effective the day and year first above written.


FARMERS UNION CENTRAL EXCHANGE, INCORPORATED

By 
Its President

Attest 
Its Assistant Secretary

PACIFIC SUPPLY COOPERATIVE

By 
Its Chairman of the Board

By 
Its President

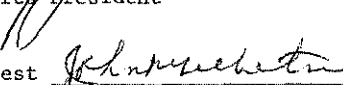
Attest 
Its Secretary

EXHIBIT "A"

OTHER AGREEMENTS

Real Estate Leases are Described in Exhibits "A" and "G"

Pacific Supply Cooperative - Spokane Bank for Co-operatives - loan agreement number T4245 dated March 14, 1973 - unpaid principal balance to September 14, 1977: \$1,444,500.

Pacific Supply Cooperative - Spokane Bank for Co-operatives - loan agreement number S05171 dated March 1, 1977 - unpaid principal balance to September 14, 1977: \$5,400,000.

Lease from Van Ness Shaw Investments, lessor, to Farm Import Company - office lease for five years ending October, 1980.

Schnitzer Investment Corporation (landlord) - Pacific Supply Cooperative (tenant) - warehouse lease - 24-month term, plus two options of six months each.

Berth and License Agreement between Schnitzer Investment Corporation (owner) and PPSI dated September 8, 1977, and a Guarantee between Pacific Supply Cooperative and Schnitzer Investment Corporation guaranteeing the Berth and License Agreement.

Lease Agreement between Pacific Supply Cooperative and the Port of Portland dated August 8, 1977, for a two-year term with options.

Trust Agreement - Investment Growth Plan - First National Bank of Denver dated August 1, 1971.

Trust Agreement - Retirement Fund - First National Bank of Denver dated August 1, 1971.

Trust Agreement dated November __, 1961, between Pacific Supply Cooperative, Messrs. Dickinson, Hastings and Kelso (as the original trustees) and the First National Bank of Portland, Oregon, as trustee.

Amendment dated June 11, 1971, between Pacific Supply Cooperative and the First National Bank of Oregon.

Lease Agreement between Pacific Data Services, Inc. and Datapoint Corporation for one year for the lease of mini-computer and peripheral equipment with monthly rental in the amount of \$3,443.

EXHIBIT "A"

PURCHASE CONTRACTS, DISTRIBUTORSHIP AGREEMENTS, ETC.
BETWEEN PACIFIC SUPPLY COOPERATIVE
AND VARIOUS OTHER FIRMS

A. Purchase Contracts:

1. Your Distributor Agreement

- a. Seller/Supplier: PPG Industries
Buyer/Distributor: Pacific Supply Cooperative
- b. Date of Agreement: July, 1976
- c. Terms of Agreement:
 - (1) One year from effective date
 - (2) Products and contract price: Chemhoe FL4 at \$10.20 per gallon; flurloe 4 EC at \$.55 per pound; flurloe 20 g at \$6.60 per gallon
 - (3) Area of Primary Responsibility: Oregon, Washington and Idaho
 - (4) Agreement cannot be assigned without prior written consent of PPG

(Note: Distributorship Agreement terminated July 1, 1977. Need to know whether agreement was renewed.)

2. Antifreeze Contract

- a. Seller: Houston Chemical Company, Division of PPG Industries, Inc.
Buyer: Pacific Supply Cooperative
- b. Terms of Contract:
 - (1) Product: Private label antifreeze
 - (2) Min/Max annual quantities: 75,000/150,000 gallons
 - (3) Period of agreement: April 1, 1977, to March 31, 1978

- c. Contract not assignable unless buyer obtains written consent of seller

3. TVA Fertilizer

- a. Seller: Tennessee Valley Authority
Buyer: Pacific Supply Cooperative

- b. Terms of Agreement:

- (1) Demonstration program: Introducing new TVA fertilizers to dealers and farmers; introducing and using new TVA fertilizers in manufacturing programs
 - (2) Effective date: February 15, 1974, to June 30, 1974, and to continue thereafter from year to year until cancelled by either party upon 30-day written notice

- c. The contract is not assignable, in whole or in part

4. Distributorship Agreement

- a. Supplier: Champion Spark Plug Co.
Distributor: Pacific Supply Cooperative

- b. Terms of Agreement:

- (1) Effective date: September 8, 1976
 - (2) No termination date

- c. No clause as to assignability of the agreement

5. Distributor Agreement - Agricultural Chemicals

- a. Seller/Supplier: Dow Chemical
Distributor: Pacific Supply Cooperative

- b. Terms of Agreement:

- (1) Effective date: January 1, 1977, through December 31, 1977
 - (2) Dow agrees to sell and distributor agrees to purchase those Dow products in such quantities as

listed in the attached products agreement setting out estimated annual purchase requirements, etc.

- (3) Rights and duties of distributor under this agreement are not assignable without prior written consent of Dow Chemical

c. Addendum to the Distributor Agreement of 1977

- (1) Products covered by the addendum: Tordon Beads, Tordon 10k, Tordon 22k, and Tordon 212

6. Distributor Agreement

- a. Seller/Supplier: Gulf Oil Chemicals Company
Distributor: Pacific Supply Cooperative
- b. Term of Contract: September 15, 1976, to September 14, 1977
- c. Distributor may not assign its rights or delegate its performance hereunder without the prior written consent of Gulf

7. Distributor Agreement

- a. Seller: E. I. DuPont de Nemours & Company, Biochemicals Department
Distributor: Pacific Supply Cooperative
- b. Terms of Agreement:
 - (1) DuPont appoints and authorizes distributor to resell on a nonexclusive basis the products listed in the contract; distributor accepts this appointment and agrees to purchase and resell the products on the terms and conditions set forth in the agreement.
 - (2) Period of Agreement: January 1, 1977, to December 31, 1977
- c. The agreement is not assignable or transferable by distributor except with the written consent of DuPont.

8. Distributor Appointment and Agreement:
 - a. Seller/Supplier: Stauffer Chemical Company
Distributor: Pacific Supply Cooperative
 - b. Terms of Agreement:
 - (1) Effective Date: October 1, 1976, to September 30, 1977
 - c. The agreement is not assignable unless there is prior written consent of Stauffer.
9. Memorandum of Understanding:
 - a. Seller/Supplier: AmChem Products, Inc.
Distributor: Pacific Supply Cooperative
 - b. Terms of Agreement:
 - (1) Product: Amiben Weed Killers
 - c. There is no clause in the agreement which indicates the rights to assign the contract.
10. Distributor's Appointment Agreement
 - a. Seller/Supplier: ChemAgro Agricultural Division
Distributor: Pacific Supply Cooperative
 - b. Terms of Agreement:
 - (1) Effective Date: January 1, 1977
 - (2) Distributor's Area of Primary Responsibility: Oregon, Washington, Idaho
 - (3) Date of Termination: December 31, 1977
11. Revised Contract Agreement
 - a. Seller/Supplier: Transbas
Purchaser: Pacific Supply Cooperative
 - b. Terms of Agreement:

- (1) Transbas, Inc. agrees with Pacific that Transbas will produce for Pacific certain formulations of chemicals in accordance with the prices, terms, and conditions set forth in the agreement.
- (2) Effective Date: November 22, 1976, and shall continue until completion of contract
(Note: Has the contract been completed?)
- c. The contract may not be assigned without the prior written consent of Pacific, nor may Transbas subcontract the performance of its obligations hereunder without the consent of Pacific.

12. Distributor Agreement

- a. Seller/Supplier: Velsicol Chemical Corporation
Distributor: Pacific Supply Cooperative
- b. Terms of Agreement:
 - (1) Velsicol appoints distributor as a nonexclusive distributor of Banvel products specified in the contract within an area of primary responsibility
 - (2) Area of Primary Responsibility: Oregon, Washington, Idaho and Western Montana
 - (3) Agreement begins November 1, 1976, and ends on October 31, 1977
- c. The agreement may not be assigned or otherwise transferred by distributor without the express written consent of Velsicol.

13. Distributor Contract - Agricultural Chemicals

- a. Seller/Supplier: Rhom and Haas Company
Buyer/Distributor: Pacific Supply Cooperative
- b. Seller agrees to sell and buyer agrees to buy products set out in the contract under the conditions specified therein.
- c. Terms of Agreement:

- (1) Effective Date: January 1, 1977, to December 31, 1977
- (2) Regional Marketing Area Includes: Idaho, Oregon, Washington and Montana
- d. The contract may not be assigned by buyer without written consent of seller, except to an assignee of all or substantially all of buyer's business and assets.

14. Sales Contract

- a. Seller/Supplier: Rhodia, Inc., Agricultural Division
Buyer: Pacific Supply Cooperative
- b. Effective Date: October 1, 1976, to September 30, 1977
- c. Primary Distribution Area: The agreement applies to all Pacific Supply outlets in Colorado, Idaho, Oregon, Washington and Utah.
- d. Assignability: The contract is not assignable or transferable by the buyer, in whole or in part, except upon prior written consent of seller; provided, however, that in the event of any transfer of title to the buyer's facilities having use requirement contemplated by this contract, the successor to said title shall be bound by the provisions thereof.

15. Sales Distributor Agreement

- a. Seller/Supplier: Diamond Shamrock, Agricultural
Chemical Division
Buyer/Distributor: Pacific Supply Cooperative
- b. Seller agrees to sell to buyer, and buyer agrees to buy from seller, buyer's requirements of said products during the term of the contract.
- c. Primary Marketing Area: Washington, Idaho, Oregon, and Northern Nevada
- d. Effective Date: January 1, 1977, to December 31, 1977
- e. Contract may not be assigned without prior written consent of seller.

- f. Addendum No. 2, Distributor Provisions: If any merger, consolidation, sale, lease or other transaction shall cause buyer's products requirements which are the subject of this contract to pass under the control of another party or parties, buyer shall, at seller's request, cause such other party or parties to assume buyer's obligations under this contract.

16. Nonexclusive Distributorship Agreement

- a. Seller/Supplier: Echol West
Distributor: Pacific Supply Cooperative
- b. Terms of Agreement:
 - (1) Products Included: Farm chemicals
 - (2) Area of Primary Responsibility: Washington, Oregon, Idaho, Montana, California, and Nevada
 - (3) Effective Date: August 27, 1976, to August 27, 1977
- c. There is no clause as to the nonassignability of the contract.

17. The Shell Oil Company Agreements of March 27, 1975, of February 8, 1974, and of November 6, 1973.

18. Distributor Agreement

- a. Seller/Supplier: Elanco, Division of Eli Lilly & Co.,
Agricultural Chemical Products
Distributor: Pacific Supply Cooperative
- b. Terms of Agreement:
 - (1) Distributor agrees to purchase and maintain at all times sufficient stocks at all retail locations of specified Elanco products. Supplier agrees to sell the products to distributor in units and at prices as per Elanco marketing letter in effect on the date of the shipment.
 - (2) Effective Date: December 22, 1976, to August 31, 1977, with provisions for renewals of successive one-year terms (We'll probably want to know whether there has been any renewal under the contract.)

- (3) Distributor shall not delegate its duty of performance or assign its rights or obligations under the agreement without the prior written consent of Elanco.

19. Distributor Agreement

- a. Seller/Supplier: FMC Corporation, Agricultural Chemical Division
Distributor: Pacific Supply Cooperative
- b. Terms of Agreement:
 - (1) Primary Area of Distributor's Responsibility: Idaho, Oregon and Washington
 - (2) Effective Date: Agreement terminates automatically without notice on September 30, 1977
 - (3) Contract also provides for arbitration of all disputes arising out of or relating to the contract
- c. Contract contains no clause relating to nonassignability of the agreement

20. Sales Contract

- a. Seller: Amax Chemical Corporation
Buyer: Pacific Supply Cooperative
- b. Terms of Agreement:
 - (1) Effective Date: July 1, 1977, through June 30, 1978
 - (2) Seller agrees to sell and buyer agrees to purchase for buyer's usual agricultural purposes the following material: 6,000 tons of coarse grade murate of potash.
 - (3) Contract is not assignable or transferable.

21. Sales Contract

- a. Seller: Western Cooperative Fertilizers Limited
Buyer: Pacific Supply Cooperative

b. Terms of Fertilizer Agreement:

- (1) Effective Date: July 1, 1973, and the term of the agreement will be for five years from July 1, 1973, to June 30, 1978
- (2) Amendment to fertilizer agreement commencing July 1, 1976, Western to sell to Pacific, and Pacific to purchase from Western, annually, a minimum of 10,000 tons of ammonium nitrate. Additionally, Western is to use its best efforts to secure for Pacific 10,000 additional tons of ammonium nitrate, annually.

- c. Assignability: The agreement extends to and is binding upon and inures to the benefit of the parties thereto and their respective assigns and successors in interest; provided, however, that neither party shall assign this agreement or any right or interest thereunder, except to its successor by merger or consolidation or sale of all or substantially all of its assets.

22. Sales Contract Planned Production Program

- a. Seller: Sta Rite Industries, Inc.
Buyer: Pacific Supply Cooperative

b. Terms and Conditions:

- (1) Under the PPP, PSC will place quarterly firm production orders for their requirements of Sta Rite products in the minimum amount of \$25,000 on the first of March, June, September and December of each year.

23. Sales Contract

- a. Seller: Phillips Petroleum Company
Buyer: Pacific Supply Cooperative

b. Terms of Agreement:

- (1) Period of Contract: January 1, 1977, through December 31, 1977

- (2) Seller sells and agrees to deliver and buyer purchases and agrees to receive and pay for, during the period hereof on the terms and conditions and at the prices stated in the contract, 50,000 tons of Phillips Sol'N 32.
- (3) Upon written consent of the seller, buyer may assign the contract in whole or in part.

24. Wholesale Distributorship Agreement

a. Seller/Supplier: Ideal Instruments, Inc.
Distributor: Pacific Supply Cooperative

b. Terms of Agreement:

- (1) Distributor agrees to purchase, warehouse and resell to retail dealers and other qualified persons a full and representative assortment of all Ideal products covered by the agreement, and seller agrees to supply and sell such representative products to distributor.
- (2) Period of Contract: The agreement is to continue for one year from the date of execution, February 8, 1977, and thereafter may be extended for successive periods of one year each unless previously terminated.

c. Contract contains no clause as to the nonassignability of the contract.

25. Distributor Agreement for Pesticide Products

a. Seller/Supplier: Monsanto
Distributor: Pacific Supply Cooperative

b. Terms of Agreement:

- (1) Product: Lasso, Ramrod, etc.
- (2) Nonexclusive contract for distribution of goods
- (3) Period of Contract: September 1, 1976, through August 31, 1977

- c. Assignment: There shall be no assignment of rights or delegation of performance by the distributor without the prior written consent of Monsanto.
- d. Primary Area of Distribution: Idaho, Oregon, Utah and Washington

25(a). Distributor Agreement for Pesticide Products

- a. Seller/Supplier: Monsanto
Distributor: Pacific Supply Cooperative
- b. Terms of Agreement:
 - (1) Distributor to be nonexclusive distributor of Monsanto goods
 - (2) Period of Contract: September 1, 1976, to August 31, 1977
 - (3) Distributor's Primary Area: Oregon and Washington
 - (4) Type of Goods: Roundup goods
- c. Distributor shall not assign its right to delegate its performance under the contract without prior written consent.

25(b). Distributor Agreement for Pesticide Products

- a. Seller/Supplier: Monsanto
Distributor: Pacific Supply Cooperative
- b. Terms of Agreement:
 - (1) Period of Contract: August 1, 1977, to July 31, 1978
 - (2) PSC is nonexclusive distributor of Monsanto goods
 - (3) Type of Goods: Avadex, Avadex BW, Far-go EC
 - (4) Distributor's Primary Area: Idaho, Montana, Oregon, Utah and Washington
- c. Distributor not to assign its rights or delegate its performance without the prior written consent of Monsanto.

26. Animal Health Agreement Distributors

- a. Seller/Supplier: Pfizer, Inc., Agricultural Division
Distributor: Pacific Supply Cooperative
- b. Terms of Agreement:
 - (1) Pfizer appoints PSC and PSC agrees to act as Pfizer's distributor for the purpose of reselling Pfizer's proprietary products.
 - (2) The agreement is effective as of January 1, 1976, and terminates on December 31, 1976.

(Note: Should determine whether this contract has been renegotiated or extended to cover the year 1977.)
- c. The distributor may not delegate its duty of performance or assign its rights or obligations under the contract without the prior written consent of Pfizer.

27. Wholesale Distributor Agreement, Pesticide Products

- a. Seller/Supplier: American Cyanamid Company
Distributor: Pacific Supply Cooperative
- b. Terms of Agreement:
 - (1) PSC appointed as nonexclusive distributor of agricultural pesticide products for American Cyanamid for the following states: Oregon, Washington, Idaho, California, Utah, Nevada, Montana, North Dakota, Hawaii, and Alaska.
 - (2) The agreement is effective as of January 1, 1977, and continues in effect until December 31, 1977.

28. Purchase Contract

- a. Seller: Mobil Oil Company
Buyer: Pacific Supply Cooperative
- b. Contract made and effective as of March 1, 1973.

29. Purchase Contract for Lubricating Oils and Greases

a. Seller: Union Oil Company of California
Buyer: Pacific Supply Cooperative

b. Terms of Agreement:

- (1) The agreement shall be for an initial period commencing August 1, 1974, and ending July 31, 1975, and shall continue thereafter unless or until terminated by either party upon at least six months' prior written notice.

(Note: Again, we should determine whether this contract is still in effect or whether it has been terminated.)

- (2) The agreement is not assignable by Pacific Supply without Union's prior written consent.
- (3) Products and Quantities: Min /Max on lubricating oils per contract year is 200,000 to 400,000 gallons; and the Min/Max on lubricating greases per contract year is 250,000 to 450,000 pounds.

30. Letter from Smith and Ardussi, Inc., of May 24, 1977; List of Products and Discounts Only

B. Equipment Leases:

1. Lease and Maintenance Agreement Between Pacific Supply Cooperative and Sycor, Inc., dated May 21, 1976, the term of the lease being 24 months from date of installation of equipment, at \$317 per month for the equipment and \$113 per month for maintenance.
2. Truck Lease and Service Agreement Between Pacific Supply Cooperative and National Car Rental, dated May 26, 1976; term of lease agreement is indefinite, with the right to cancel the lease by giving thirty days' written notice after the first twelve-month period. The subject of the lease agreement is two 1976, cabover Kenworths, at a fixed weekly charge of \$266.75 per vehicle, and a mileage charge of \$.06.5 per mile. Customer has no right to assign, sublet, transfer, or convey this agreement or any interest in it without prior written consent of lessor.

3. Lease/Purchase Option Between Pacific Supply Cooperative and Top Line Equipment Company for two front-end loaders, dated March 23, 1976. Purchase option price is \$29,501 and \$23,000, respectively, with guaranteed six-month rental at \$749 per month, with 85% of rental to apply to purchase.
4. Lease Agreement Between Pacific Supply Cooperative and Pacific Agricultural Credit Corporation, dated July 21, 1976, whereby PSC agreed to lease from Pacific Agricultural Credit Corporation, one 1976 Ford LTD for a period of 24 months beginning August 1, 1976, and ending July 31, 1978, at \$220 per month (rentals aggregating to \$5,280). Lessee (PSC) agrees not to assign or sublet any interest in the agreement or the equipment without lessor's prior written consent.
5. Lease Agreement Between Pacific Supply Cooperative and Pacific Agricultural Credit Corporation, dated July 16, 1976, whereby PSC agrees to lease one 1976 Cadillac Seville, for a period of 36 months, beginning August 1, 1976, and ending July 31, 1979, at \$325 per month (rentals aggregating to \$11,700). Lessee (PSC) agrees not to assign or sublet any interest in the agreement or the equipment without lessor's prior written consent.
6. Motor Vehicle Lease Agreement Between Pacific Supply Cooperative and National Car Rental System, Inc., dated February 23, 1977, finance lease only.
7. Lease Agreement Between Pacific Supply Cooperative and Jelco Corporation, Jelco Leasing Company Division, dated August 20, 1976, with minimum lease term for each unit of leased equipment of 12 months, commencing with date the unit goes into service, and setting out rates per mile of various vehicles to be rented.
8. Agreement Between Pacific Supply Cooperative and Transport International Pool, Inc. There is a total of seven leases for seven, 45' Fruehauf vans, with varying lease terms as follows:
 - a. Lease dated April 11, 1977, for minimum period of five years, wherein lessee agrees to pay lessor, for lease of the equipment, rates of \$6.50 per day, \$32.50 per week, \$130 per month, with no mileage or per hour rates.

- b. Lease dated November 10, 1976, for minimum period of five years, wherein lessee agrees to pay lessor the rates of \$6.50 per day, \$32.50 per week, and \$130 per month, with no mileage or hourly rates.
- c. Lease dated November 10, 1976, for a minimum period of five years, wherein lessee agrees to pay lessor rates of \$6.50 per day, \$32.50 per week, \$130 per month, with no mileage or hourly rates.
- d. Lease dated November 10, 1976, for minimum period of five years, wherein lessee agrees to pay lessor rates of \$6.50 per day, \$32.50 per week, \$130 per month, with no mileage or hourly rates.
- e. Lease dated April 14, 1977, for a minimum period of five years, wherein lessee agrees to pay lessor rates of \$6.50 per day, \$32.50 per week, \$130 per month, with no additional mileage or hourly rates.
- f. Lease dated March 5, 1977, for a minimum period of five years, wherein lessee agrees to pay lessor rates of \$6.50 per day, \$32.50 per week, \$130 per month, with no additional mileage or hourly rates.
- g. Lease dated May 10, 1977, for a minimum period of one year, wherein lessee agrees to pay lessor rates of \$11 per day, \$77 per week, \$214 per month, with no additional mileage or hourly rates.

C. Fixed Asset Leases: Liability.

- 1. Agreement Of Sale Between Lackamas Valley Milling Company/Lackamas Valley Milling, Inc., and Pacific Supply Cooperative, dated April 15, 1977, wherein PSC agrees to purchase the equipment of seller partnership/corporation in the amount of \$125,000, with a down payment of \$25,000 and balance due in four (4) yearly installments of \$25,000 each, plus interest at a rate of six percent per annum on unpaid balances. PSC further agrees to purchase the inventory of seller--corporation, at \$19,461.60, to be paid in full within 90 days after execution of the Agreement and without additional charge for interest. Seller--partnership and seller--corporation agree not to compete with PSC in the gate panel manufacturing business, for a period of five (5) years, in the states of Washington, Oregon and/or Idaho.
- 2. Lease Agreement Between Pacific Supply Cooperative and Dave Christensen, Inc., dated June, 1976 on property located at 3000 Lewis and Clark Highway, Vancouver, Washington, said Lease to commence July 1, 1976 and end June 30, 1977, for the amount of \$2,400 per month, with

4,800, representing first and last month's payment, being paid upon execution of the Lease. Lessee may not assign the Lease or any interest therein, without the written consent of the lessor.

3. Land Sale Agreement Between Pacific Supply Cooperative and Glenn & Beatrice Martin, dated March 31, 1959, wherein vendor agrees to sell and purchaser agrees to purchase certain land and all improvements situated thereon in Yamhill County, for \$13,750, \$3,750 being paid upon execution and delivery of the agreement, and the remaining balance of \$10,000 to be paid in annual installments of \$1,358.70, which includes interest on the unpaid balance at six percent per annum.
4. Lease Agreement Between Pacific Supply Cooperative and Andrew & Lora Schmid, individually, and Lackamas Valley Milling Company, dated April 15, 1977, for a warehouse building located at 18110 N. E. Fourth Plain Road, Vancouver, Washington, said lease to run for a period of one year with tenant able to extend the lease upon same terms for a successive one year period by providing written notice to lessor. Tenant (PSC) agrees to pay as rental to lessor \$750 per month. Tenant may assign or sublease the whole or part of lease premises provided tenant shall remain liable for the performance of all covenants under the lease to lessor.
5. Lease Agreement Between Pacific Supply Cooperative and Producer's Supply Cooperative, Inc., dated March 1, 1967, wherein PSC agrees to lease for a period of ten (10) years, for the amount of one dollar per year, payable on March 1st of each year. The provisions of the lease are binding upon and inure to the benefit of the successors and interest and assigns of the parties hereto, and any corporation in which either of the parties may be merged hereafter.
6. Land Lease Between Lee & Rosemarie Philpott and Pacific Supply Cooperative, dated January 16, 1968, wherein PSC agrees to lease real property consisting of 11.86 acres situated in Linn County, for a period of 20 years beginning on date of execution, for a rental fee of \$140 per acre of \$1,660.40 per year, with provisions for readjustments of the rental. PSC may sublease or assign this lease, with the provision that PSC shall be responsible for performance of the lease in accordance with all the conditions.

7. Fertilizer Storage Agreement Between Pacific Supply Cooperative and Irvin--Taylor, dated January 1, 1977, to run for a period on one year, wherein PSC may store its dry bulk fertilizer for an in and out payment of \$3.50 per ton, payable on receipt of product, with a storage cost of \$.50 per ton per month allowed after 90 days from date of receiving.
8. Lease Agreement Between Pacific Supply Cooperative and Port of Vancouver, dated January 31, 1959, wherein PSC agrees to lease some Port of Vancouver dock space at the Port, for a period of 30 years from the date of execution, with the lessee being granted an option to renew the same for additional period not in excess of 20 years. Rental to be paid by lessee for first 12 years of the lease shall be \$120,000 payable in equal quarterly, annual installments, with remaining rental to be determined thereafter. Lessee shall not assign or sublet the lease without prior written consent of lessor. On December 2, 1970, an amendment to the above lease was made reducing the rental to an amount of \$8,000 for the five (5) year period beginning January 15, 1971 and ending January 15, 1976, payable in equal quarterly, annual installments (\$400 per quarter).
9. Building Lease (Harrisburg) Between Pacific Supply (tenant) and Sherritt Fertilizers, Inc. (owner), dated October 15, 1970, wherein Pacific Supply Cooperative agrees to lease the building for purposes of storage for a period commencing October 15, 1970 and ending October 15, 1980, with rent payable quarterly with said payments to be subject to fully amortize the total purchase price of the building, which is \$70,515.05 each rent payment shall consist of a principal element equal to 1/40 of total purchase price of building, and an interest element equal to interest computed on total purchase price less the total of all previously paid principal elements, with initial interest rates being 7 1/2 percent. Lease also contains provision whereby either party may by notice to the other elect to require tenant (PSC) to purchase and owner to sell the building, on terms specified in the lease agreement. Tenant may not assign or sublet without prior written consent of owner.
10. Building Lease (Heyburn) Between Pacific Supply Cooperative and Sherritt Fertilizers, Inc., dated November 1, 1970 wherein PSC agrees to lease a warehouse building owned by Sherritt for a term of 10 years beginning November 1, 1970 and ending October 31, 1980, rent to be paid quarterly, and shall be

subject subject to fully amortize the total purchase price of the building, which is \$25,515.87, on the same terms as the Harrisburg building lease. Assignment or sublet by tenant may not be made without prior written consent of owner.

11. Building Lease (Midway) Between Pacific Supply Cooperative and Sherritt Fertilizers, Inc., dated November 1, 1970, wherein PSC agrees to lease a warehouse building owned by Sherritt, for a term of ten years beginning November 1, 1970 and ending October 31, 1980, rental payments to be made quarterly and to be subject to fully amortize the total purchase price of the building, which is \$29,075.32, on the same terms as presented in the Harrisburg lease with the same purchase and assignment provision.
12. Building Lease (Blackfoot) Between Pacific Supply Cooperative and Sherritt Fertilizers, Inc., dated November 1, 1970, wherein PSC agrees to lease a warehouse building owned by Sherritt, said lease to be for a period of ten years, beginning November 1, 1970 and ending October 31, 1980, with rent payable quarterly and to be subject to fully amortize the total purchase price of the building, which is \$25,014.87 on the same terms and interest rates as in the Harrisburg building lease, with the same purchase and assignment provisions.
13. Building Lease (Nampa) Between Pacific Supply Cooperative and Sherritt Fertilizers, Inc., dated December 11, 1970, wherein PSC agrees to lease a warehouse building owned by Sherritt for a period of nine years, beginning January 1, 1971 and ending December 31, 1980, rent to be payable quarterly, and shall be subject to fully amortize the total purchase price of the building, which is \$21,831.37, the principal element equalling 1/40 or a total purchase price, and the interest element equal to 6 3/4 percent. The agreement contains the same purchase and assignment provision as the Harrisburg agreement.
14. Building Lease (Madras) Between Pacific Supply Cooperative and Sherritt Fertilizer, Inc., dated March 1, 1971, wherein PSC agrees to lease a warehouse building owned by Sherritt with rent payable quarterly and payment being subject to fully amortize the total purchase price of the building, which is \$30,000, the principal element equalling 1/40 of the total purchase price, and the interest element at 5 1/4 percent. Again the contract contains the same purchase and assignment as does the Harrisburg lease.
15. Memorandum of Assignment (Madras) Between Pacific Supply Cooperative and Sherritt Fertilizers, Inc., dated March 1, 1971 whereby PSC assigns to Sherritt all of PSC's rights

in the property described on an attached Exhibit A (which is missing from these documents), such assignment being for security purposes only and to become effective only in the case of default of payment by PSC.

16. Memorandum of Assignment (Nampa) Between Pacific Supply Cooperative and Sherritt Fertilizers, Inc., dated December 11, 1970, whereby PSC assigns to Sherritt all PSC's rights under a lease dated March 1, 1967 from Producer's Supply Cooperative. Such assignment being solely for security purposes and to become effective only in the case of default on payment by PSC to Sherritt.
17. Consent to Assignment, dated December 11, 1970, Between Pacific Supply Cooperative and Sherritt Fertilizers, Inc., of the lease dated March 1, 1967 Between Producer's Supply Cooperative and PSC. Date of the consent to assignment is December 29, 1970.
18. Amendment to Contract of July 9, 1970 Between Pacific Supply Cooperative and Sherritt Fertilizers, Inc., dated November 1, 1970 whereby the parties agree that Paragraph 4 of the Agreement should be amended to allow Sherritt to have the exclusive right to store its ammonium sulfate in such building or buildings leased by PSC during the period October 1 to February 1 of each year. Compensation for such storage rights Sherritt will pay PSC three dollars per ton of storage capacity available in such buildings.

D. Fixed Asset Leases: Income.

1. Farm Lease Between Pacific Supply Cooperative and Harold Winsel, dated March 10, 1967, wherein PSC agrees to lease to Winsel certain farmlands in Clark County, Washington, for a period of three years beginning February 1, 1967 and ending February 1, 1970 and from year to year thereafter unless written notice to terminate is given by either party. Winsel agrees to pay PSC as cash rent the sum of \$20 per acre per year for acre utilized by Winsel under the terms of the lease. The lease contains no provision as to assignability of the lease.
2. Consent to Assignment, Amendment and Extension of Lease, Between Pacific Supply Cooperative and Farmer's Union Central Exchange, Inc., dated April 15, 1976, whereby PSC agrees to the assignment by Utah Cooperative Association to Farmer's Union. Attached to the Consent to

Assignment is the Lease between Utah Cooperative Association and PSC, dated December 28, 1966.

3. A Note delivered to Pacific Supply Cooperative from Allen C. Maxwell, for the sum of \$30,000, together with interest on the unpaid balance at the rate of nine percent per annum, Note is dated December 31, 1975, with monthly payments, beginning February 1, 1976, of \$380.03 per month.

10. Fertilizer Facility Lease Between Pacific Supply Cooperative and Wilco Farmers, dated January 23, 1968, wherein PSC agrees to lease to tenant certain premises described in Exhibit A (attached to lease) for the period beginning on the first day of month next following the substantial completion of the construction and equipping of a fertilizer distribution facility on the land included in the premises. PSC shall establish the date of such completion by written notice to tenant. The lease is to continue for a period set forth in the schedule (no schedule is attached to the lease). Rental fee is to be the sum equal to one percent per month, payable in advance, of the total of PSC's cost of acquisition and construction of the premises. Tenant may not sublease, assign, or transfer without prior written consent of PSC.

F. Key Lock Agreements and Miscellaneous Contracts:

1. Agreement for Use of Pacific Marine Terminal Dock Between Pacific Supply Cooperative and Tidewater Barge Lines for dock located on Columbia River, Vancouver, Washington.

When damage occurs during normal use of facility, Tide-water Barge Lines will be charged for replacement costs according to an attached schedule, based on ten years life from date of installation. Date of agreement, June 1, 1969.

2. Agreement for Operation and Maintenance of Marine Dock Port of Vancouver--Terminal 2, Between Pacific Supply Cooperative and Signal Oil and Gas Company, dated July 9, 1969. Agreement sets out operation, maintenance, and distribution of expenses, if and when damage occurs during normal use of facility. Agreement terminates on 30 days written notice.
3. Agreement for Use of Pacific Marine Terminal Dock Between Pacific Supply Cooperative and Pacific Inland Navigation Company, Inc., for dock located on Columbia River, Vancouver, Washington, dated August 12, 1969, setting out replacement costs when damage occurs during normal use of facility.
4. Notice to Pacific Supply Cooperative of Dissolution of McGuire Terminal Company and Assignment of all assets, rights and interest of McGuire to General American Transport Corporation. Notice sets out agreement for operation and maintenance of Marine Dock, Port of Vancouver--Terminal 2, Between PSC and McGuire Terminal Company, which agreement sets out provisions for operation, maintenance and distribution of expenses as between McGuire and PSC.
5. List of Full Circle, Inc.'s Inventory and Billing Procedures, dated February 11, 1977.
6. Refined Petroleum Products Exchange Agreement Between Pacific Supply Cooperative and Time Oil Company, dated March 1, 1977, with effective date of March 15, 1977 and expiration date of 90 days from March 15, 1977 and continuing thereafter unless terminated by either party upon 90 days prior written notice.
7. Agreement Between Pacific Supply Cooperative and Chevron Pipeline Company, dated May 27, 1968, wherein Chevron agrees to install requested additive storage and injection equipment and related facilities, and PSC shall furnish at Pocatella Terminal all diesel fuel additive material that it desires to have injected into PSC's diesel fuel by Chevron. The agreement shall be in effect for a term commencing on date of agreement ending May 31, 1969, and continuing thereafter until terminated by either party by giving 60 days prior written notice of such termination.

8. Freight Payment Service, Shipper's Agreement Between Pacific Supply Cooperative and First National Bank of Oregon, dated November 16, 1964, setting out conditions for membership to the bank's freight payment service. The agreement may be terminated by either party upon five days written notice.
9. Brokerage Agreement Between Pacific Supply Cooperative and Jefferson County Cooperative, dated August 17, 1972, wherein PSC agrees to pay Jefferson the sum of \$5,500 per year as brokerage fee for all fertilizer, liquid and chemical, sold by PSC direct to Farmers and other consumers, for a period of ten years beginning July 1, 1972. Contract cannot be assigned or transferred by Jefferson without prior written consent of PSC.
10. Lease Agreement Between Pacific Supply Cooperative and Port of Vancouver, dated January 21, 1959, wherein the Port of Vancouver agrees to lease to PSC certain property in Clark County, Washington, for a term of 30 years beginning January 15, 1959, with rental to paid by lessee for the first 12 years in the sum of \$17,730, payable in advance. The rental for the remaining term of the lease and any extension thereof shall be in the amount determined to be equal to the amount of which the owner of said easement would be required to pay in taxes if said property was privately owned or \$500 per year, whichever is greater, and subject to additional conditions in the lease. The lease may not be assigned or sublet without prior consent of lessor.
11. Commingling of Storage of Products Between Pacific Supply Cooperative, Tidewater Barge Lines and Mobil Oil Corporation, dated March 1, 1974, wherein parties agree, under terms and conditions set forth in agreement, that Tidewater Barge Lines may commingle storage of products belonging to Mobil Oil and PSC. Agreement pertains to operational conditions only and does not concern financial arrangements. The agreement will terminate upon 60 days' written notice of any party.
12. Key Lock Loading Agreement Between Pacific Supply Cooperative and Phillip's Pacific Chemical Company, dated September 15, 1975, wherein Phillip's agrees to provide PSC with necessary keys and/or cards as may be necessary to enable it to enter Phillip's terminal and load said products, and further that PSC shall not assign any of its rights, privileges, duties or obligations without prior written consent of Phillip's.

13. Key Lock Loading Agreement Between Pacific Supply Cooperative and Columbia Farmer's Supply Association, dated February 28, 1967, wherein PSC agrees to make its terminal available to Columbia for the sole purpose of loading products into transport trucks and driving such trucks away from the terminal. The terms and provisions of the agreement are binding upon and inure to the benefit of the parties, their successors and assigns, providing that Columbia does not assign any of its rights, privileges duties or obligations without prior written consent of PSC.
14. Key Lock Loading Agreement Between Pacific Supply Cooperative and Farmer's Oil Company, dated February 28, 1967, wherein PSC grants to Farmer's Oil the right to access to PSC's terminal for the purpose of loading products into transport trucks and driving such loaded trucks away from the terminal. The terms of this contract are binding upon and inure to the benefit of the parties, their successors and assigns, providing that Farmer's Oil shall not assign any of its rights without the prior written consent of PSC.
15. Key Lock Agreement Between Pacific Supply Cooperative and Continental Oil Company, dated October 19, 1971, whereby Continental agrees to allow PSC to perform loading and unloading operations at its product's terminal at Bozeman, Helena, Missoula and Great Falls, and whereby PSC agrees to indemnify and hold Continental Oil Company harmless from any and all claims, expenses, loss or damage, as set out in the agreement. Also attached is a Key Lock Agreement Between Pacific Supply Cooperative and Yellowstone Pipeline Company, dated October 19, 1971, wherein Yellowstone Pipeline grants PSC the privilege of access to Washington, and PSC agrees to indemnify and hold Yellowstone harmless for any and all claims, expenses, and loss or damage as set out in the agreement.

F. Special Agreements:

1. A List of Vendors for Agricultural Chemicals, Refined Fuels, Fertilizers, Farm Hardware, etc., with notations as to whether the contract was written or oral or whether no contract was made between the parties at all. (This list is attached as an additional Exhibit "A")
2. Special Sales Agreements/Chemical Department noting deferrals of certain sales and disposition of certain other products.

3. Special Agreements and List of Series of 28 Agreements with various companies and for various products.
(This schedule is attached as an additional Exhibit "A")

4. Letter of Conformation to Pacific Supply Cooperative from Pendleton Grain Growers, Inc., dated January 12, 1977, confirming purchase of Solution "32" at \$100 per ton at 10,000 tons.
5. Letter from Pacific Supply Cooperative to Columbia County Farm Bureau, dated June 3, 1977, confirming deferred payment through September 1 on products: NH 3 and aqua ammonia.
6. List of Destinations not to be billed the \$3 truck-up charge for products shipped from Medicine Hat or Calgary.
7. Letter from Pacific Supply Cooperative Sales Manager indicating adjustments to charges at fertilizer distribution points listed in letter, as of July 1, 1977.
8. Letter from Pacific Supply Cooperative to Palouse Producers, Inc., dated June 15, 1977, regarding purchase by Palouse of 2,000 tons of bulk 16-20-0, at \$170.80 per ton.
9. Letter from Pacific Supply Cooperative to Palouse Producers, Inc., dated July 20, 1977, confirming PSC agreement to extend to Palouse price and freight allowances as outlined in previous agreement dated September 3, 1976 through June 30, 1978.
10. Letter from Pacific Supply Cooperative to Rockford Grain Growers, Inc., dated June 15, 1977, confirming purchase of 800 tons of 13-39-0 at quoted price of \$141 per ton.
11. Agreement Between Pacific Supply Cooperative and Bingham Cooperative, Inc., dated June 15, 1977, regarding consignment of 1,000 tons of 18-46-0 to Bingham Cooperative, Inc.
12. Agreement Between Pacific Supply Cooperative and Farmer's Supply Cooperative, dated July 21, 1977, setting out terms and conditions for PSC's supply of anhydrous ammonia to the convertor for: (1) conversion to aqua ammonia for PSC's customers, or (2) use by the convertor for its own purposes (Farmer's Supply Cooperative being referred to as convertor). PSC

agrees to pay Farmer's Supply \$6.50 per short ton of anhydrous ammonia converted to aqua ammonia. The agreement may be terminated upon 90 days' written notice of either party.

G. Exchange Agreements:

1. Pacific Supply Cooperative inter-office correspondence, dated July 22, 1977, regarding exchange balances as of June 30, 1977.
2. Exchange Agreement between Pacific Supply Cooperative and J. R. Simplot Company, dated May 5, 1977, wherein Simplot agrees to deliver during the period May through August, 1975, from Idaho, 1,300 tons of 11-55-0, at \$6.40 per ton, and PSC agrees to deliver, during the period of May through August, 1975, 1,500 tons of 11-48-0 to Simplot.
3. Exchange Agreement Between Pacific Supply and Collier Carbon and Chemical Corporation, dated March 25, 1975, effective dates of exchange agreement beginning April 1, 1975, and terminating December 31, 1975, wherein Collier agrees to deliver during the above period approximately 4,000 short tons of anhydrous ammonia, and PSC agrees to supply Collier during the above period, approximately 5,000 short tons of UAN 32% Solution. The agreement is not assignable without the prior written consent of the parties.
4. Exchange Agreement Between Pacific Supply and Stauffer Chemical Company, dated November 15, 1976, wherein Stauffer agrees to supply PSC with up to 2,500 tons of 0-45-0, F.O.B. Salt Lake City, during the period November through June 30, 1977, and PSC agrees to supply Stauffer, F.O.B. Medicine Hat, Alberta, Canada, with (a) one ton of 18-46-0 for each 1.22 tons of 0-45-0 supplied by Stauffer, (b) one ton of 11-48-0 for each 1.14 ton of 0-45-0 supplied by Stauffer during the same period. Any balances upon completion of exchange will be settled by one party invoicing the other at Stauffer's then current published distributor delivered price less 5%.
5. Exchange Agreement Between Pacific Supply Cooperative and Stauffer Chemical Company, dated November 4, 1976, wherein the parties agree to exchange 750 tons of treble superphosphate shipped F.O.B. Port of Stockton, California for 750 tons of treble superphosphate shipped, F.O.B., Stauffer's plant at Salt Lake City. It is the intent of the parties to complete the exchange by

6. Exchange Agreement Between Pacific Supply Cooperative and Stauffer Chemical Company, dated July 26, 1977, wherein Stauffer agrees to supply PSC 1,000 tons of 16-20-0, F.O.B. Salt Lake City, and PSC agrees to deliver 1,000 tons of 16-20-0, F.O.B. Medicine Hat, Alberta, during the period June 1, 1977 through December 31, 1977.
7. Exchange Agreement Between Pacific Supply Cooperative and Stauffer Chemical Company, dated March 8, 1977, wherein Stauffer agrees to supply PSC with up to 700 tons of 13-39-0, F.O.B. Kellogg, Idaho, during the period March through June 30, 1970, and PSC agrees to supply Stauffer (F.O.B. Medicine Hat, Alberta) with (a) one ton of 18-46-0 for each 1.1 tons of 13-39-0 supplied by Stauffer, (b) one ton of 11-48-0 for each 1.04 tons of 13-39-0 supplied by Stauffer.
8. Exchange Agreement Between Pacific Supply Cooperative and Chevron Chemical Company, dated April 16, 1976, wherein Chevron agrees to deliver during the period of April 1, 1976 through June, 1976, approximately 1700 tons of ammonium nitrate (F.O.B. Spokane) and PSC agrees to deliver, during that same period, approximately 1,900 tons of UAN 32% Solution (F.O.B. Finley, Washington).
9. Exchange Agreement Between PSC and Chevron Chemical Company, dated November 11, 1975, wherein Chevron agrees to deliver during the period November 1, 1975 through June 30, 1976, approximately 4,000 tons of ammonium nitrate (F.O.B. Hodges, Washington), and PSC agrees to deliver, during the same period, approximately 4,400 tons of UAN 32% Solution.
10. Exchange Agreement Between PSC and Chevron Chemical Company, dated March 31, 1977, wherein Chevron agrees to deliver during the period of March 28, 1977 through June 30, 1977, approximately 2,000 tons of ammonium nitrate (F.O.B. Montana dealer locations), and PSC agrees to deliver during the same period, approximately 3,000 tons of ammonum sulfate (F.O.B. Oregon and Washington dealer locations).
11. Exchange Agreement Between Pacific Supply Cooperative and Chevron Chemical Company, dated November 2, 1976, wherein Chevron agrees to deliver during the period of October 1, 1976 through June 30, 1977, approximately 10,000 tons of anhydrous ammonia (F.O.B. Kennewick, Washington), and PSC agrees to supply during the same period, approximately 14,000 tons of UAN 32% Solution (F.O.B. Kennewick, Portland, and St. Helena). The agreement may not be assigned without prior written consent of the other party.

EXHIBIT "A"
AG CHEMICALS

VENDOR	PRODUCT	WRITTEN CONTRACT	VERBAL CONTRACT	NO CONTRACT
Amchem Products, Inc.		X		
American Cyanamid Co.		X		
Ciba-Geigy Corp.		X		
Chemagro		X		
Diamond Shamrock		X		
Dow Chemical U.S.A.		X		
E. I. DuPont de Nemours & Co.		X		
Echol West		X		
Elanco Products Co.		X		
FMC Corp.		X		
Gulf Oil Chemical Co.		X		
Monsanto		X		
PPG Industries, Inc.		X		
Rhodia, Inc.		X		
Rohm and Haas Co.		X		
Stauffer Chemical Co.		X		
Transbas, Inc.		X		
Velsicol Chemical Co.		X		
Chevron Chemical Co.	Assorted Chemicals			X
Great Lakes Chemical Corp.	Soil Fumigants			X
Kalo Laboratories, Inc.	Spreader Stickers			X
The Chas. H. Lilly Co.	Small Package Chemicals			X
Occidental Chemical Co.	Monobor Chorate, Polybor Chorate			X
Pennwalt Corp.	Perthane, Pennamine D			X
Shell Chemical Co.	Bladex 80WP, Misc.			X
Thompson-Hayward Chemical Co.	Spray Oil, Casaron			X
Uniroyal, Inc.	Comite, Omite, MH-30, Alar			X
U.S. Borax & Chemical Corp.	Solubor, Polybor			X
Aceto Agricultural Chemicals Corp.	Diuron			X
Applied Biochemists	Cutrine Plus			X
Cities Service Co.	Bluestone Powder, Crystal, Snow			X
Creative Marketing & Research, Inc.	No-Foam B			X
Econachema, Inc.	Wood Preservative			X
Mammal Survey & Control Service	Rodent Baits			X
Sim-Chem	Captan Dust			X
Soweco, Inc.	Larvacide			X
Thomas G. Kilfoil Co.	Nutra-Sol			X
Ash Grove Cement	Kemlime			X
H. E. Hansen	Prolin (Pacific Brand)			X
E. M. Matson	Corry's			X
Nitragin	Legumes			X
Tyler Products	Methyl Bromide Guns			X
Whitmoyer Labs	Vacor Rat Bait			X

REFINED FUELS - OILS - GREASES
TIRES - BATTERIES - ACCESSORIES

VENDOR	PRODUCT	WRITTEN CONTRACT	VERBAL CONTRACT	NO CONTRACT
Campbell Chain Co.				X
Champion Spark Plug Co.		X		
Houston Chemical Co.		X		
Mobil Oil Co.		X		
Time Oil Co.		X		
Union Oil Co.		X		
Alimco, Inc.	Petroleum Handling Equipment			X
Bell Chemical Co.	Auto Chemicals			X
Central Solvents & Chemicals Co.	Kerosene, Solvent, White Gas			X
City Rubber Stamp Co.	Labels			X
Container Corporation of America	Oil Containers (Quarts)			X
DMI, Inc.	Truck Wheels			X
Dyce Sales and Engineering Service	Co. Calcium Chloride			X
Farmland Industries	Oils and Greases			X
Goodall Rubber Co.	Farm Hose			X
Hein-Warner Corp.	Hydraulic Jacks			X
Huffman Mfg. Co.	Gas Cans			X
Kraco Enterprises	C. B. Radios			X
Maremont Marketing, Inc.	Shocks, Mufflers			X
Myers Drum Co.	New Oil Drums			X
Myers Tire Supply	Tire Handling Equipment			X
National Spencer	Petroleum Handling Equipment			X
Parker Hannifin Corp.	Grease Guns - Fittings			X
Rieke Corp.	Oil Drum Fittings			X
Siloo, Inc.	Auto Chemicals			X
Stewart-Warner/Alemite	Grease Guns, Fittings			X
Syracuse Stamping Co.	Molasses Gates			X
Tech, Inc.	Tire Patches			X
Tokheim Corp.	Gas Pumps			X
U. S. Metal Container Co.	Jeep Cans			X
Western Kraft Corp.	Cartons			X
William Wilson & Sons, Inc.	Gas Pumps			X
Universal Cooperatives	Tires, Tubes, Batteries, Fuel Filters, Oil Filters, Air Filters, Auto Jacks			X

FERTILIZERS

VENDOR	PRODUCT	WRITTEN CONTRACT	VERBAL CONTRACT	NO CONTRACT
Amax Chemical Corp.		X		
Chevron Chemical Corp.		X		
Phillips Pacific Chemical Co.		X		
Smith and Ardussi		X		
Stauffer Chemical Co.		X		
Western Coop Fertilizers, Ltd.		X		
Sherritt Fertilizers, Inc.	Ammonium Sulfate - Urea			X
Bemis Co.	Paper Bags			X
Bay Chemical Co.	Zinc			X
Cominco American	Ammonium Sulfate			X
Crown Zellerbach	Paper Bags			X
Great Salt Lake Minerals and Chemicals	Sulfate of Potash			X
Kerley Chemical Co., Inc.	Sulfur Solutions			X
Reichhold Chemicals, Inc.	Urea, Solutions	X		X
St. Regis Paper Co.	Paper Bags			X
J. R. Simplot Co.	Treble, Phos. Solutions			X
U. S. S. Agri Chemicals	Ammonium Nitrate, NH ₃			X
Wilson & Geo. Meyer and Co.	Urea, Iron			X

FARM HARDWARE

HEAVY HARDWARE

VENDOR	PRODUCT	WRITTEN CONTRACT	VERBAL CONTRACT	NO CONTRACT
Cascade Steel Rolling Mills	Fence Posts		X	
International Harvester	Plastic Baler Twine		X	
Soule' Steel	Fence Posts		X	
ASC Pacific, Inc.	Galv. Roofing			X
American Optical	Safety Equipment			X
American Steel	Galv. Roofing - Sheet			X
Balfour Guthrie	Barbed Wire - Galv. Pipe			X
Braas/Creech	Winches			X
Campbell Chain	Chain - Fittings			X
Central Quality Indust.	Fertilizer Spreaders			X
Continental Western Corp.	Rope			X
R. E. Chapin Mfg.	Compression Sprayers			X
C. F. & I. Steel Corp.	Posts - Wire Products			X
Corona Clipper Co.	Pruning Tools			X
Dare Products	Electric Fence Accessories			X
Davis Walker Corp.	Wire Products			X
Dixie Industries	Chain Fittings			X
Durbin Durco	Fence Stretchers- Load Binders			X
Dutton Lainson	Power Sprayer			X
Erb Plastics	Safety Equipment			X
Frank Fehr & Co.	Import Chain			X
General Metal Craft	Galvanized Pails			X
Gilson Bros.	Mowers - Tillers			X
Glidden Paint Co.	Paint			X
Hi Lift Jack Co.	Hi Lift Jacks			X
Homelite	Chain Saws			X
International Harvester	Plastic Baler Twine			X
Kelley Mfg. Co.	Wheelbarrows - Garbage Cans			X
Keystone Steel and Wire Co.	Wire Products			X
Walter Kidde Co.	Fire Extinguishers			X
La Pierre - Sawyer	Tool Handles			X
North Central Plastics	Fence Insulators			X
Oregon Wire Products	Electric Fence Posts			X
C. S. Osborne Co.	Hay Hooks			X
Pacific Steel and Supply	Import Barbed Wire			X
Preston Petty Co.	Plastic Tubs - Boxes			X
Ritchie Mfg. Co.	Stock Watering Equipment			X
Sequatchie	Tool Handles			X
Sioux Steel Co.	Grain Bins			X
Stor-All Mfg.	Pick-up Tool Boxes			X
Union Carbide - Eveready	Batteries			X
Vaughn Bros.	Rubber Tarp Straps			X
Valley Sales Co.	Livestock Handling Equipment			X
Willson Products	Safety Equipment			X
Wisconsin Porcelain Co.	Fence Insulators			X
Woodstream Corp.	Animal Traps			X
UNIVERSAL COOPERATIVES				
Ag-Tronics	SMV Emblems			X
Cyclone Seeder	Seeders			X
Deuer Mfg.	Hoists			X
Dominion Mfg.	Hi-Wheel Cultivators			X
Gould-Burgess Div.	Batteries			X
K & S Industries	Edger-Trimmers			

HEAVY HARDWARE CONT. . .

VENDOR	PRODUCT	WRITTEN CONTRACT	VERBAL CONTRACT	NO CONTRACT
Universal Cooperatives Cont.				
True Temper	Garden Tools			X
Northern Signal	Fence Chargers			X
Star-Agri Products	Livestock Equipment			X
Swan Rubber	Garden Hose			X
Murray Ohio MFg. Co.	Mowers - Tillers			X
M.T.D.	Mowers - Tillers			

FARM HARDWARE

PUMP, IRRIGATION AND SPRAYING SYSTEMS

VENDOR	PRODUCT	WRITTEN CONTRACT	VERBAL CONTRACT	NO CONTRACT
Brady Holmes	Fertilizer Pumps			X
Sta Rite Industries, Inc.		X		
Clayton Mark	Well Accessories			X
Crane-Deming	Fertilizer Pumps			X
Dezurick Corp.	Fertilizer/Petroleum Valves			X
Dahlquist-Rush	Water Valves			X
Empire Rubber	Hose Fittings			X
Flomatic	Check and Foot Valves			X
Goodall Rubber	Chemical/Fertilizer Hose			X
ITT Grinnel	Fertilizer/Chemical Valves			X
Lasco Industries	Plastic Pipe Fittings			X
Norca Corporation	Water Valves			X
Pacific Metals	Pipe			X
Paige Electric	Submersible Cable			X
Pierce Mfg.	Irrigation Equipment			X
Portco Corp.	Plastic Pipe			X
Rockwell International	Valves			X
Spraying Systems	Spray Equipment			X
State Metals	Valves			X
Tricon Steel	Galv. Pipe			X
Western Irrigation	Irrigation Equip.			X
W. L. Jackson/Medalist	Pressure Tanks			X
Western Rain Bird	Sprinklers			X
Western States Sales	Valves			X
Witteck Mfg.	Hose Clamps			X
Universal Cooperatives	Plastic Film, Galv. Fittings			X

FARM HARDWARE

ANIMAL HEALTH PRODUCTS

VENDOR	PRODUCT	WRITTEN CONTRACT	VERBAL CONTRACT	NO CONTRACT
Dow Chemical Co.		X		
Ideal Instruments Co.		X		
Pfizer, Inc.		X		
American Cyanamid	Pharmaceuticals			X
Anchor Laboratories	Insecticides, Pharmaceuticals, Biologicals			X
Beaver Chemical Co.	Household Detergents			X
Commercial Solvents	Ralgro			X
Cooper, Division of Borroughs				
Wellcome	Insecticides, Pharmaceuticals			X
DuPont	Insecticides			X
Elanco	Pharmaceuticals			X
Fearing Mfg. Co.	Ear Tags			X
Hess and Clark	Insecticides			X
Hot Shot Products	Stock Prods			X
Johnson Halters	Halters			X
Land-O-Lakes	Milk Replacers			X
Lilly-Miller	Insecticides			X
Pfizer	Insecticides, Pharmaceuticals			X
Squibb	Pharmaceuticals			X
Sunbeam	Clippers			X
Wright-Bernet	Animal Grooming			X
West Agro Chem	Dairy Cleansers			X
Universal Cooperatives	Pharmaceuticals, Instruments			X

EXHIBIT "A"

SPECIAL AGREEMENTS

1. Anhydrous Ammonia/Aqua Agreement with Farmers Supply Cooperative, Ontario, Full Circle Inc., Heyburn and Nezperce Rochdale.
2. Storage and consignment agreement with Bingham Cooperative on 18-46. Agreement enclosed.
3. Agreement with Pendleton Grain Growers on Solution 32 dated 1/12/77. Agreement enclosed.
4. Deferred billing on 18-46 to Full Circle, Inc., Jerome, Idaho, Consumers Supply, Weiser, Producers Supply, Nampa and Full Circle Inc., Madras. Delayed billing November 1, 1977.
5. Agreement with Full Circle, Inc., Tangent on 15-15-15 product to be furnished by Wilson George Meyer out of Vancouver Warehouse where WGM will allow Pacific Supply Cooperative maximum freight of \$12.00. PSC will allow Full Circle \$9.50. Our cost of product will be \$136. per ton out of Vancouver, will sell to Full Circle at \$136. out of Vancouver.
6. Competitive dealer allowance of 5% with H.J. Stoll and Sons of Portland, Oregon to be competitive with Occidental Chemical Co.
7. Environmental Management, Great Falls, Montana - a competitive discount off dealer cost 5%.
8. Peavey Company, Minneapolis. A 5% competitive allowance off dealer.
9. Companies we allow a 5% co-manufacturing allowance are:

Exxon, Chevron, Cominco, Simplot, Stauffer, U.S.S. Steel,
Wolfkill of Monroe and Dyce Sales & Engineering of Montana.
10. Agreement to loan 10-34 liquid out of Tidewater, Pasco to Wolfkill. They will pay all through-put and handling charges charged by Tidewater and will return product within a 30 day period.
11. Palouse Producers, Pullman, Washington. All billings on Aqua Ammonia F.O.B. Finley, Washington instead of delivered price.
12. Full Circle, Inc., Wheeler, Washington. Agreement to purchase, pay for and store at July 77 price if ordered by August 1, 1977 with delivery through Fall 77, products at our Interstate Warehouse.
13. Douglas County Farm Bureau, Roseburg, Oregon. Agreement to deliver at rail price on trucks to new plant until railroad spur completed.
14. Ammonium Nitrate - stored at Irvin Taylor Warehouse, Shelby, Montana offered to Montana accounts on delayed billing with payment date 11/1/77.
15. Imported Sulfate of Ammonia fines have been offered at \$10.00 under market price.

16. Grange Supply - Kennewick, Wa. Have allowed full truckload freight allowance if ordered 10 ton or more.
17. John Paplow, Tacoma, Wa. He is a landscaper in Tacoma area and has been sold an Ag-West mix of fertilizer which normally is sold at \$98.20 dealer at \$112.95.
18. Full Circle, Inc., The Dalles use Zone 1 price sheet on the dries and Zone 2 price sheet on liquids.
19. Nitro-Sul - Kerley Chemical Company - see attached letter for rebate schedule.
20. Solution 32 - quote to American Falls, Full Circle and Bingham Cooperative Blackfoot, Idaho. See attached quotation on NH3 and Aqua Ammonia. Deferred terms until September 77 with payment October 77 for Full Circle units in Washington, The Dalles and Madras, Oregon.
21. Columbia County Farm Bureau and Union Warehouse. Deferred payment until October 15 with a cash discount if paid prior to September 1 on NH3 and Aqua Ammonia. See attached letter.
22. Truck upcharge not to be charged in all locations Montana from Medicine Hat or Calgary.
23. Ag-West farm fertilizer accounts upcharged \$2. per ton over Pacific brand dealers.
24. All product sold to Farmers Import Company, California by PSC, Portland will be upcharged \$1.00 per ton.
25. Agreement on through-put and handling charges from Midway, Interstate, Whiteson and Harrisburg enclosed.
26. Letter to Palouse Producers on Nitro-Sul - see attachment.
27. Rockford Grain Growers - see attached memo with dating terms.
28. Palouse Producers - Pullman, Washington. 2,000 tons of 16-20 with price protection. See attached letter.

EXHIBIT "A"

PACIFIC SUPPLY COOPERATIVE - WHOLESALE ONLY
 LEASED PERSONAL PROPERTY
 9/15/77

ROLLING STOCKLESSOR: PACC

<u>DESCRIPTION</u>	<u>PSC NO.</u>	<u>ASSIGNED TO</u>
'76 FORD LTD	529	JOHN FOUTS
'76 FORD LTD	530	DICK GOFFE
'76 FORD LTD	531	WALT STEELE
'76 CADILLAC SEVILLE	555	FOYE TROUTE

LESSOR: LYNN KRIBYDESCRIPTION

'76 FORD GRANADA	517	GEORGE DUTSON (SEE *NATIONAL)
'76 FORD GRANADA	523	RICH NILLES
'76 FORD GRANADA	525	GLEN PETERSON
'76 FORD GRANADA	526	JERRY DENSON
'76 FORD GRANADA	536	DON CHRISTOPHER (SEE *NATIONAL)
'76 FORD GRANADA	537	KEN FARRENS
'76 FORD GRANADA	542	BILL DUNCAN
'76 FORD GRANADA	544	JERRY SCHULTZ
'76 FORD GRANADA	546	BOB HASTINGS
'76 FORD GRANADA	552	JERRY LAMB
'76 FORD GRANADA	553	JIM JENSON
'74 FORD COURIER PICK-UP	611	WHITESON D.C.
'75 FORD CUSTOM CLUB WAGON	612	JOHN KUEHLWEIN (SEE *GELCO)
'74 FORD PICK-UP	600	VANCOUVER TERMINAL

LESSOR: GELCODESCRIPTION

'77 DODGE ASPEN	559	TEX LANE
'77 PLYMOUTH VOLARE	560	DEL HAUER
'77 PLYMOUTH VOLARE WAGON	561	HANK BAUR
'74 FORD PINTO WAGON	563	PORTLAND SERVICE CENTER
'77 PLYMOUTH VOLARE	564	GARY TRENT
'77 FORD GRANADA	565	BEN BEAUDRY
'77 FORD GRANADA	566	JACK VAN HORN
'77 FORD GRANADA	567	SPARE (FORMERLY C. J. HEATH)
'77 FORD GRANADA	568	FRED BURKHALTER
'77 PLYMOUTH VOLARE	569	FRANK SCHIENE
'77 DODGE ASPEN	570	HAROLD FARNLUND
'77 PLYMOUTH VOLARE WAGON	572	OFFICE SERVICES

LESSOR: GELCO (Cont.)

<u>DESCRIPTION</u>	<u>PSC NO.</u>	<u>ASSIGNED TO</u>
'77 FORD GRANADA	573	GEORGE BAYLOR
'77 FORD GRANADA	575	IVAN GETMAN
'77 DODGE ASPEN	577	DOC ALSUP
'77 PLYMOUTH VOLARE	579	HANS AMACHER
'76 FORD GRANADA	547	GREG ROBERTSON
'77 FORD PICK-UP	694	WES NIST
'78 FORD CUSTOM CLUB WAGON	695	ON ORDER FOR JOHN KUEHLWEIN*

LESSOR: NATIONAL

<u>DESCRIPTION</u>		
'78 DODGE ASPEN	581	ON ORDER FOR DON CHRISTOPHER*
'78 PLYMOUTH VOLARE	582	ON ORDER FOR GEORGE DUTSON*

LESSOR: TRANSPORT POOL

<u>DESCRIPTION</u>		
'72 FRUEHAUF	41B	TRANSPORTS
'72 FRUEHAUF	42B	TRANSPORTS
'72 FRUEHAUF	44B	TRANSPORTS
'72 FRUEHAUF	45B	TRANSPORTS
'72 FRUEHAUF	46B	TRANSPORTS
'72 FRUEHAUF	48B	TRANSPORTS
'73 UTILITY	49B	TRANSPORTS

OFFICE EQUIPMENT

<u>DESCRIPTION</u>	<u>MODEL #</u>	<u>ASSIGNED LOCATION</u>
<u>LESSOR: WESTERN UNION</u>		
ELECTRONIC MAILGRAM		OFFICE SERVICES
<u>LESSOR: XEROX CORPORATION</u>		
XEROX	3100	MANAGEMENT
<u>LESSOR: PITNEY BOWES</u>		
POSTAGE METER	2280	OFFICE SERVICES
POSTAGE METER TOUCHMATIC	5705	VANCOUVER TERMINAL
UPS PARCEL REGISTER	5301	PORTLAND DIST. CTR.
POSTAGE METER	2200	PORTLAND DIST. CTR.
<u>LESSOR: US LEASING</u>		
MAILING MACHINE	5460	PORTLAND DIST. CTR.
SCALE	3771	PORTLAND DIST. CTR.

LESSOR: BUSINESS EQUIPMENT BUREAU

VHS-R COPY MACHINE - 3 M	238AA	OFFICE SERVICES
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LESSOR: PACIFIC DATA SERVICES (SYCOR)

COMMUNICATION TERMINAL	350	ACCOUNTING
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LESSOR: PACIFIC DATA SERVICES (DATAPOINT)

DATA STATION	3601	CUSTOMER SERVICES
DATA STATION	3601	CUSTOMER SERVICES
DATA STATION	3601	CUSTOMER SERVICES
DATA STATION	3601	ACCOUNTING
DATA STATION	3601	PURCHASING
DATA STATION	3601	PURCHASING
DATA STATION	3601	PORTLAND DIST. CENTER
DATA STATION	3601	INVENTORY & PURCHASE CONTROL
BELT PRINTER	9292	CUSTOMER SERVICES
BELT PRINTER	9292	PORTLAND DIST. CENTER

LESSOR: PACIFIC NORTHWEST BELL

CENTREX II SYSTEM

EXHIBIT "A"

PACCLEASES

<u>LESSEE</u>	<u>MATURITY DATE</u>	<u>EQUIPMENT</u>	<u>MONTHLY RENTAL</u>
Bleyhl Farm Service	2- 1-78	Teletypewriter	\$ 73.00
Consumers Cooperative Assn.	3- 1-81	Champ Rough Terrain Lift Truck	295.00
Douglas County Farm Bureau	2- 1-78	Teletypewriter	73.00
Eugene Farmers	2- 1-78	Teletypewriter	73.00
Full Circle - Am. Falls	6-30-79	Forklift	169.05
" " - Am. Falls	9- 1-79	1976 Chev. Truck	385.00
" " - Basin City	3- 1-80	Towmotor Forklift	227.00
" " - Bruce-Warden	4- 1-80	Towmotor Forklift	150.00
" " - Hillsboro	4- 1-80	Caterpillar Lift Truck	335.00
" " - Pomeroy	8-31-79	Forklift	285.00
" " - Royal City	4- 1-80	Towmotor Forklift	100.00
" " - Marketing	11- 1-78	1973 Peterbilt Tractor	625.00
" " - Marketing	11- 1-78	1971 Alloy Hopper Semi Trailer	198.00
" " - Marketing	1- 1-79	1976 Alloy Mini Bulk III Hopper Trlr	334.00
" " - Marketing	1- 1-79	1973 Utility Trailer	240.00
" " - Tangent	6- 1-79	2 Clough Semi Hoppers & 2 Clough 4-Wheel Hoppers	1,085.00
Lewiston Grain Growers	2- 1-78	Teletypewriter	73.00
Mid Columbia Grain Growers	4- 1-78	Teletypewriter	73.00
Pendleton Grain Growers	6-30-79	Tramco Semi Trailer	560.00
Pendleton Grain Growers	2- 1-78	Teletypewriter	73.00
Polk County Farmers	2- 1-78	Teletypewriter	73.00
Wallowa County Grain Growers	2- 1-78	Teletypewriter	73.00

PACCLEASES

<u>LEASSEE</u>	<u>MATURITY DATE</u>	<u>EQUIPMENT</u>	<u>MONTHLY RENTAL</u>
Pacific Supply (PDS)	7- 1-78	1976 Ford LTD Landau	\$ 220.00
Pacific Supply	7- 1-79	1976 Cadillac Seville	325.00
Pacific Supply (FCI)	2- 1-78	1976 Ford LTD Landau	215.00
Pacific Supply (PPSI)	2- 1-78	1976 Ford LTD Landau	215.00
Pacific Supply	2- 1-78	1976 Ford LTD Landau	215.00
Pacific Supply	2- 1-78	1976 Ford LTD Landau	215.00
Pacific Supply	2- 1-78	1976 Ford LTD Landau	215.00

Copies of all of the above are attached

EXHIBIT "A"

PACCLOAN AGREEMENTS

1. PACC Operating Loan Agreement #SO-5172 with the Spokane Bank for Cooperatives
Operating Loan balance owing as of September 19, 1977 - \$5,119,000.00
2. PACC Term Loan Agreement #TO-5173 with the Spokane Bank for Cooperatives
Term Loan balance owing as of September 19, 1977 - \$825,000.00

The following is a list of associations borrowing from PACC, the types of loans they have with PACC and their loan balances as of September 19, 1977.

1. Bingham Cooperative, Inc.	Operating Loan #SO-2	\$ 117,500.00
2. Full Circle, Inc.	Operating Loan #SO-20	5,047,000.00
	Term Loan #T-54	738,238.70
3. Pacific Data Services, Inc.	Term Loan #T-48	25,274.04
	Term Loan #T-49	11,250.08
	Term Loan #T-51	11,262.58
	Term Loan #T-52	23,941.89
	Term Loan #T-53	13,614.02
	Term Loan #T-55	10,892.91
	Term Loan #T-56	91,117.36
4. Polk County Farmers' Co-op	Operating Loan #SO-19	726,800.00
	Term Loan #T-50	393,655.42
5. Tillamook Farmers' Cooperative Assn., Inc.	Operating Loan #SO-8	50,000.00
	Term Loan #T-47	7,481.02

Copies of all of the above are attached



September 9, 1977

Mr. Wallace Ginkel, Controller
CENEX
Box "G"
Saint Paul, Minnesota 55165

RE: Contractual Obligations by PPSI, Inc.

Dear Mr. Ginkel:

Mr. John Fouts advised me last week that you requested copies of current contracts obligating PPSI, Inc. Our staff has assembled the attachments in response to your request. Please note that this letter attempts to list and brief all obligations, but some contracts have not been enclosed because of their extreme volume and/or lack of potential liability. Please feel free to request these contracts if you wish to review their contents.

List of Outstanding Contracts

- 1.* A. Contract between: UKF, B.V. Holland/PPSI (written agreement)
 - B. Purpose: "Overseas Purchase Requirement Agreement."
Exclusive fertilizer agency agreement for UKF fertilizers (manufactured in Europe) for distribution through PPSI to eight (8) Western states.
 - C. Term: One year (June 1, June 1); self renewing without notice.
 - D. Total exposure: Agreement for PPSI, Inc. to purchase all vessel imported fertilizer requirements from UKF, provided price is agreed upon and product available. Dollar value of estimated fiscal year requirement is about \$10,250,000 FOB vessel (chartered by PPSI, Inc.).
 - E. General conditions: We have enclosed a copy of our letter to Mr. Dave Johnson and a copy of the original agreement with UKF, which outline the respective rights and obligations of both parties under this contract. Recent changes in the agreement will be represented by "Amendments" to the basic

text, and will be forthcoming within the next month. Please note Article 10 - Assignment and Identity.

For the fiscal year beginning July 1, 1977 and continuing through June 30, 1978, the following estimated fertilizer tonnage has been determined and is accompanied by an anticipated draw schedule, in Metric Tons, subject to market, crop, and weather conditions.

Ammonium Sulphate	127,500 MT
UAN 32	42,000 MT
Urea	20,000 MT

Draw Schedule:

	<u>July</u>	<u>Aug.</u>	<u>Sept.</u>	<u>Oct.</u>	<u>Nov.</u>	<u>Dec.</u>
Amsul	-0-	15,750	-0-	15,750	-0-	15,750
UAN 32	6,000	-0-	6,000	-0-	6,000	-0-
Urea	-0-	5,000	-0-	-0-	-0-	5,000

	<u>Jan.</u>	<u>Feb.</u>	<u>March</u>	<u>April</u>	<u>May</u>	<u>June</u>
Amsul	16,500	16,500	15,750	15,750	15,750	-0-
UAN 32	6,000	-0-	6,000	6,000	6,000	-0-
Urea	-0-	5,000	-0-	5,000	-0-	-0-

- F. Assignment: Article 10 outlines assignment, which allows UKF three (3) months to accept or reject assignment.
(Writer's note: probably assignable)
2. A. Contract between: Pan Ocean Ltd. (London)/PPSI, Inc.
(Written contract)
- B. Purpose: Contract of Affreightment for ocean vessel freight.
- C. Term: September 1, 1977 to August 31, 1978 with option to renew.
- D. Total exposure: None. (Contract estimates 20 to 21,000 MT of UAN 32 solution to be shipped per annum but deadfreight does not pertain to the quantity under this contract. Therefore, there is no exposure except where cargos are fixed.

- E. General conditions:
 - a. Shipment size from 2,000 to 4,000 MT each.
 - b. Discharge ports: San Diego, San Pedro, Wilmington, Richmond-CA; Vancouver, Longview-WA; Portland-OR.
 - F. Assignment: No assignment clause; probably assignable through negotiation.
3. A. Contract between: Stolt-Nielsen Inc. (Oslo, Norway)/PPSI, Inc. (written contract).
- B. Purpose: Contract of Affreightment for ocean vessel freight.
- C. Term: September 1, 1977 to August 31, 1978 with option to renew.
- D. Total exposure: None (contract estimates 30/35,000 MT of UAN 32 Solution to be shipped per annum, but deadfreight does not pertain to the quantity under this contract. Therefore, there is no exposure except when cargos are fixed.
- E. General conditions:
 - a. Shipment size from 5,000 to 9,000 MT each.
 - b. Discharge Ports: San Diego, San Pedro, Wilmington, Richmond-CA; Portland-OR; Vancouver, Longview-WA.
 - F. Assignment: No assignment clause; probably assignable through negotiations.
4. A. Contract between: Star Shipping Co. (Bergen, Norway)/PPSI, Inc. (written contract).
- B. Purpose: Contract of Affreightment (dry bulk cargos).
- C. Term: September 1, 1977 to August 31, 1978.
- D. Total exposure: Moral obligation to ship all dry fertilizer requirements coming from western Europe. Contract estimates 110,000 to 135,000 MT dry bulk fertilizers to be shipped per annum. No deadfreight.
- E. General conditions:
 - a. Shipment size from 5,000 to 20,000 MT plus.
 - b. Any west coast port as agreed to by owner.

- F. Assignment: No assignment clause; probably assignable through negotiation.
- 5. A. Contract between: PSC Holland B.V./PPSI, Inc. (written contract).
- B. Purpose: Agency Agreement primarily for sale of pulses.
- C. Term: Automatically renewed year to year unless terminated by 6 (six) months notice.
- D. Total exposure: None. (Commission fees paid on pulses and other products, payable only upon actual completion of transactions).
- E. General conditions: Holland office has use of PSC's name; which has been duly registered in Holland. Pacific Supply Holland is a fifty (50) percent owned subsidiary of PPSI, Inc.
- F. Assignment: No assignment clause; probably not assignable.
- 6.* A. Contract between: Schnitzer Investment Corp. (Portland, OR)/PPSI, Inc. (written contract).
- B. Purpose: Berth and Licensing Agreement (for the use of a private dock, berth, and cranes to discharge and load vessel cargo of fertilizers and other products).
- C. Term: From Commencement date (to be established by timing of discharge of first cargo this Fall - approximately November 15, 1977) for a two year term with two 6 month renewal options.
- D. Total exposure: None - with the exception of actual costs relating to cargos discharged for Pacific Supply at International Terminals.
- E. General conditions:
 - a. PPSI has use of berth, cranes and access to PSC's warehouse, leased from Schnitzer.
 - b. Terms and Conditions of this Berth and Licensing Agreement are guaranteed by PSC.
 - c. The contract terms specify it is assignable to Cenex Inc., C.F. Industries Inc., and/or Farmers Union Central Exchange Inc.
- F. Assignment: Specific assignment clause making contract freely assignable to Cenex Inc., C.F. Industries Inc., Farmers Union Central Exchange Inc.

7. A. Contract between: Ted L. Rausch Co. of Oregon (Portland, OR)/PPSI, Inc. (written contract).
 - B. Purpose: Combination Freight Forwarding/Customhouse Brokering Agency Agreement.
 - C. Term: July 1, 1977 to June 30, 1978, and automatically renewable from year to year in the absence of a 30 day termination notice tendered by either party.
 - D. Total exposure: None. A fee is payable on the basis of each transaction completed and handled through the Rausch Office.
 - E. General conditions:
 - a. PPSI shall establish a checking account in the name of Ted L. Rausch Co. of Oregon. Authorized check signers are Dave Buffam, President and employee of Ted L. Rausch Co. of Oregon, and Dave Redmond, President of PPSI, Inc. The purpose of the account is to prepay necessary costs incurred in transactions handled on PPSI's behalf.
 - F. Assignment: No assignment clause; probably easily assignable.
-
- 8.* A. Contract between: Transversal International Corp. (TIC) (Portland, OR)/PPSI, Inc. (written contract).
 - B. Purpose: Ship Chartering and Agency Agreement
 - C. Terms: Extends indefinitely but subject to termination clause submitted by either party.
 - D. Total exposure: None. A brokerage commission is payable on each vessel fixed by TIC. As general agent for PPSI, TIC furnishes other services, the costs of which are also covered by vessel commissions.
 - E. General conditions:
 - a. TIC acts as a general business agent of PPSI in connection with the procurement of general business services.
 - b. All aspects of chartering vessels for PPSI's cargo shipment needs.
 - c. Total documentation of PPSI transactions involving overseas charter shipments.
 - d. Supervision of vessel cargo handling operations, including attendance at all discharges.

- F. Assignment: Specific assignment clause readily assignable to Cenex, Inc., C.F. Industries, Inc., and Farmers Union Exchange, Inc.
- 9. A. Contract between: Transversal International Corp. (TIC)/ PPSI (verbal agreement).
- B. Purpose: Rental agency agreement.
- C. Terms: Indefinite
- D. Total exposure: None (commission paid on three part usage of hoppers).
- E. General conditions:
 - a. Rental income payable to Pacific less PPSI/TIC commission.
 - b. Pacific Supply owns hoppers which were constructed for the discharge of PPSI cargos. Pacific leases the hoppers on a permanent basis to PPSI, who in turn uses them for discharges and sub-leases them to TIC.
- F. Assignment: Assignment clause to be included in future written contract.

10.
 - A. Contract between: Fraturgar C.A./PPSI, Inc. (written agreement).
 - B. Purpose: Exclusive Agency agreement for the sale of pulses into Venezuela.
 - C. Terms: January 1, 1977 to December 31, 1977, automatically renewed except when 30 day notice of termination has been presented by either party.
 - D. Total exposure: None. Commissions are to be paid only upon the successful negotiation and completion of a transaction.
 - E. General exposure: Fraturgar may buy from other USA suppliers, but must inform PPSI of suppliers name and price.
 - F. Assignment: No assignment clause; probably easily assignable.
11.
 - A. Contract between: Chase Bag Company/PPSI (written contract)
 - B. Purpose: Private Brand: "Pajaro Rojo" (Red Bird) burlap bags for pulse shipments to South America.
 - C. Terms: Bags are invoiced to PPSI when removed from Chase's warehouse. Contract is fully executed when last bags are removed.
 - D. Total exposure: \$3,572.80 (14,000 bags at \$0.2552 each).
 - E. General conditions: Contract is signed for specific price and quantity, but invoices are sent when bags are actually used, ordinarily within one year.
 - F. Assignment: No assignment clause; probably easily assignable.
12.
 - A. Contract between: Pacific Agriculture Credit Corporation (PACC)/PPSI (written lease).
 - B. Purpose: Lease of Company Car #553, 1976 Ford LTD. assigned to PPSI President.
 - C. Terms: Two years.
 - D. Total exposure: \$5,160.00; 24 months @ \$215.00 per month.
 - E. General conditions: PACC leases executives automobiles to Pacific Supply and its subsidiaries.

- F. Assignment: No assignment clause; readily assignable.
- 13. A. Contract between: Pacific Supply Cooperative/PPSI (verbal agreement).
- B. Purpose: Office space rental of 938.5 square feet for PPSI, Inc. corporate office.
- C. Terms: Annual: renewed by inter office memo.
- D. Total exposure: \$645.22 per month x 8 months - \$5,161.75.
- E. General conditions: Monthly billing at first of month for 938.5 square feet @ .6875/sq. ft./month.
- F. Assignment: No assignment clause; readily assignable.
- 14. A. Contract between: Pacific Supply Cooperative/PPSI, Inc. (verbal agreement).
- B. Purpose: Office machine maintenance contract
- C. Terms: One year (on fiscal year basis)
- D. Total exposure: \$105.00 per year
- E. General conditions: Annual charge for office machine maintenance.
- F. Assignment: No assignment clause; readily assignable.

In addition to the above listed contractual relationships, PPSI, Inc. also enters into contracts with the following organizations on a vessel by vessel basis, or as required.

- 1. Crescent Wharf and Warehouse Company
Purpose: A "Take Away and Ship-side Stevedoring Contract" for dry bulk fertilizers imported into California. The Present contract has expired, but will be renegotiated and renewed for a one year period.
- 2. Portland Stevedoring Company
Purpose: A "Take Away and Ship-side Stevedoring Agreement" (not a formal contract) for dry bulk fertilizers imported into the Pacific Northwest. Present agreement on rates is cancellable because of change in method of operation.
- 3. Charles Martin Surveyors
Purpose: To survey and subject to analysis, imported liquid fertilizers, in order to confirm conformity to contract specifications and to prevent potential contamination problems. Contracts are negotiated vessel by vessel.

Mr. Wallace Gunkel

September 9, 1977

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4. Ruys and Co. B.V. (Holland)
Purpose: To act as appointed agents of TIC on behalf of PPSI at overseas loading ports. This company does not work under contract but is appointed vessel by vessel.
5. National Cargo Bureau
Purpose: To certify actual quantities of bulk dry fertilizer discharged from PPSI chartered vessels on the West Coast. Contracts are negotiated vessel by vessel.
6. Royal Globe Insurance Company
Purpose: This company provides an all risk marine cargo insurance policy on all overseas shipments, however, premiums are paid on a vessel by vessel basis. A premium schedule has been established, whereby PPSI has agreed to insure all types of cargo exclusively with Globe to "spread the risk".
7. Institute of London Underwriters
Purpose: This company provides a charterers legal liability insurance policy on cargo shipped from overseas, however, premiums are paid on a vessel by vessel basis, with no other cost to PPSI.
8. PPSI, or PSC, has signed several Conference Agreements with different container shipping lines. The agreements obligate PPSI to pay conference rates on those lines when shipping cargo. However, PPSI can ship non-conference, under another name, or from ports outside the North American continent at other than conference rates.

If you have questions regarding any of these agreement, please don't hesitate to contact me.

Sincerely,

David H. Redmond, President

DHR/kw

cc: Mr. John Fouts

Mr. John Gilbertson

EXHIBIT "B"

EXCLUDED ASSETS OR LIABILITIES

1. Certificates of Indebtedness, 7½%, due 1978 to 1984, or any other securities which would be required to be registered.
2. That certain employment letter agreement dated September 2, 1975, and as amended January 8, 1976, between Carl H. Haas and PACIFIC-NORTHWEST PURCHASING AND SALES INTERNATIONAL, INC. (PPSI) regarding services to be performed by Mr. Haas for PPSI.
3. Agreement between PACIFIC SUPPLY COOPERATIVE and PACIFIC SUPPLY TRANSPORT DRIVERS dated July 9, 1976.
4. Any balance sheet provisions for current income taxes and deferred income taxes, including any provisions for investment tax credits, investment tax credit carryovers and any investment tax credit recaptures.
5. Settlement Agreements between PAYETTE VALLEY COOPERATIVE and PACIFIC SUPPLY COOPERATIVE; NYSSA CO-OP SUPPLY and PACIFIC SUPPLY COOPERATIVE; GEM SUPPLY COOPERATIVE and PACIFIC SUPPLY COOPERATIVE; VALE CONSUMERS COOPERATIVE and PACIFIC SUPPLY COOPERATIVE, all of which were executed by the respective parties in June of 1973; and any and all obligations of Pacific Supply Cooperative to Buhl Cooperative Supply, Inc.
6. Sale of Assets Agreements between COOPERATIVE SUPPLY ASSOCIATION, INC. and PACIFIC SUPPLY COOPERATIVE, dated March 29, 1972; FARMERS' COOPERATIVE OIL ASSOCIATION, INC. and PACIFIC SUPPLY COOPERATIVE, dated March 27, 1974; and PACIFIC FARMERS, INC. and PACIFIC SUPPLY COOPERATIVE, dated April 7, 1973.
7. Real Estate Lease Agreements and attached Schedules between PACIFIC SUPPLY COOPERATIVE and PENDLETON GRAIN GROWERS (Pendleton, Oregon), dated July 1, 1975; PACIFIC SUPPLY COOPERATIVE and FARMERS SUPPLY COOPERATIVE (Ontario, Oregon), dated January 1, 1976; PACIFIC SUPPLY COOPERATIVE and BINGHAM COOPERATIVE, INC., (Blackfoot, Idaho), dated April 1, 1977; PACIFIC SUPPLY COOPERATIVE and WALLA WALLA FARMERS CO-OP (Walla Walla, Washington), dated July 1, 1975; PACIFIC SUPPLY COOPERATIVE and PRODUCERS SUPPLY COOPERATIVE (Nampa, Idaho), dated November 1, 1975; and PACIFIC SUPPLY COOPERATIVE and NEZPERCE ROCHDALE COMPANY (Nezperce, Idaho), dated February 1, 1976.

INSTALLMENT PROMISSORY NOTE

Face Amount

South St. Paul, Minnesota
_____, 1977

FOR VALUE RECEIVED, the undersigned, FARMERS UNION CENTRAL EXCHANGE, INCORPORATED, a Minnesota cooperative corporation, hereby promises to pay to PACIFIC SUPPLY COOPERATIVE, an Oregon cooperative corporation, at such place or places as the payee or other holder of this Note may designate from time

to time, the sum of _____ Dollars

(\$ _____), payable in four (4) consecutive annual installments of

_____ Dollars (\$ _____) each,

commencing on _____, 1978, without payment of interest on the unpaid balance thereof.

All or any part of the unpaid balance of the amount owing hereon may be prepaid by the undersigned at any time without penalty. Any such prepayments shall be applied against the annual installment next due hereunder.

This Note is given in partial payment of the purchase price covering substantially all of the assets of payee pursuant to the provisions

of that certain Purchase and Sale Agreement dated as of the _____ day of September, 1977, between the undersigned and the payee; and the provisions hereof shall be subject to and subordinate to all applicable provisions of the aforesaid Purchase and Sale Agreement which are hereby incorporated herein by reference and made a part of this Note as though fully set forth herein.

Upon default in the payment of any installments due under this Note, then the holder hereof may, at the holder's option, declare this Note immediately due and payable for the entire unpaid balance hereof. In the event this Note is placed in the hands of an attorney for collection, the prevailing party shall be liable to pay all costs incurred in connection with the collection procedures arising therefrom (including reasonable attorneys fees), all as determined by the last court of competent jurisdiction involved in any proceedings pertaining to such collection procedures.

Extension of time of payment of all or any part of the amounts owing hereon or any variation, modification, or waiver of any term or condition hereof shall not affect the liability of the undersigned maker hereof, it being the intent of the undersigned maker that it shall continue absolutely liable for the payment of the aforesaid indebtedness until the same is actually paid in full.

IN WITNESS WHEREOF, the undersigned has executed this note the date and year first above written.

FARMERS UNION CENTRAL EXCHANGE, INCORPORATED

By _____
Its _____

EXHIBIT "D"

MATURITY DATES OF ACCOUNTS, NOTES AND CONTRACTS AFTER ONE YEAR FROM CLOSING

Promissory note dated October 30, 1976, from Jerry A. Halvorsen and William Rossworn to Full Circle, Inc. in the amount of \$5,000, plus interest at 8-1/2% - unpaid principal balance: \$9,000, plus interest - maturity date: June 30, 1978.

Promissory note dated December 31, 1975, from Alan O. Maxwell to Pacific Supply Cooperative in the face value of \$30,000 - current - maturity date: January 1, 1986, subject to acceleration - unpaid principal balance: \$11,163.03.

Promissory note dated July 1, 1970, from Ririe Producers Cooperative, Inc. to Pacific Supply Cooperative in the face amount of \$75,000 - principal unpaid balance: \$27,219.20, payable \$5,000 per year plus interest on June 1, 1971 - maturity date: 1982.

Creditors' Composition by Decatur Seed and Supply Company with its creditors among which Pacific Supply Cooperative is a creditor in the amount of \$99,672.44, with a maturity date of 1983 at the earliest. In Pacific Supply Cooperative's judgment, this will probably constitute a bad debt.

On August 31, 1977, Pacific Supply Cooperative sold to Idaho Oregon Seed Growers, Inc. certain land and a seed plant located in Ontario, Oregon, for the amount of \$200,000, of which \$100,000 was paid on that date, and the remainder is due in five equal annual installments of \$25,000, plus interest at 8%, with the first of such payments to commence on August 1, 1978.

EXHIBIT "E"

OWNED REAL ESTATE

PACIFIC SUPPLY COOPERATIVE

STATE OF OREGON

1. Portland, Oregon - home office building and parking lot across the street

Lots 3, 4, and 5, Block 154, and all of Block 189, in EAST PORTLAND, in the City of Portland, County of Multnomah, Oregon.

2. Portland, Oregon - undeveloped river front property (Rivergate Project)

A PARCEL OF LAND LOCATED IN SECTION 26, T. 2 N., R. 1 W., W.M., MULTNOMAH COUNTY, OREGON, DESCRIBED AS FOLLOWS:

BEGINNING AT THE INITIAL POINT OF THE PLAT OF RIVERGATE INDUSTRIAL DISTRICT BLOCK 12, AS RECORDED ON MAY 25, 1973, IN BOOK 1204, PAGE 19, MULTNOMAH COUNTY DEED RECORDS; THENCE N. 76° 46' 58" W. ALONG THE SOUTH LINE OF SAID PLAT, SAID LINE ALSO BEING THE NORTH LINE OF THE GILMORE STEEL CORPORATION PARCEL AS RECORDED ON OCTOBER 13, 1967, IN BOOK 586, PAGE 1355, MULTNOMAH COUNTY DEED RECORDS, A DISTANCE OF 1720.88 FEET TO THE NORTHEAST CORNER OF A PARCEL OF LAND AS RECORDED ON OCTOBER 30, 1973, IN BOOK 956, PAGE 1045, MULTNOMAH COUNTY DEED RECORDS; THENCE S. 23° 31' 32" W ALONG THE EAST LINE OF SAID PARCEL 406.84 FEET TO THE SOUTHEAST CORNER; THENCE N. 76° 46' 58" W. ALONG THE SOUTH LINE OF SAID PARCEL 500.86 FEET TO THE LOW WATER LINE OF THE WILLAMETTE RIVER THENCE N. 16° 29' 55" E. ALONG THE LOW WATER LINE 400.92 FEET, THENCE N. 31° 43' 22" E. 450.32 FEET; THENCE LEAVING SAID LOW WATER LINE S. 76° 46' 58" E. 179.87 FEET; THENCE N. 29° 26' 38" E. 180.14 FEET THENCE S. 76° 46' 58" E. 1775.17 FEET TO THE EAST LINE OF SAID BLOCK 12; THENCE ALONG SAID EAST LINE S. 1° 36' 13" W. 612.54 FEET TO THE POINT OF BEGINNING, CONTAINING 33.195 ACRES.

3. Ontario, Oregon - dry fertilizer plant

Beginning at a point which is South 0° 09' 30" East 203.27 feet from the Northwest corner of the NW $\frac{1}{4}$ of SW $\frac{1}{4}$ of Sec. 10, Twp. 18 S., R. 47 E.W.M., Malheur County, Oregon; thence South 76° 55' West 178.98 feet; thence South 13° 05' West 760.61 feet; thence North 0° 09' 30" West 781.38 feet to the point of beginning, all being in Malheur County, Oregon.

EXHIBIT "E"

OWNED REAL ESTATE

PACIFIC SUPPLY COOPERATIVE

STATE OF OREGON (Continued)

4. Whiteson, Oregon - dry fertilizer plant (purchasing on contract)

beginning at an iron pipe set on the Westerly Margin of State Highway 99 West, being South 8° 00' West 1483.75 feet from the most Southerly Southeast corner of Lot 2 of County Survey No. 2866, in the W. J. Garrison Donation Land Claim, Sections 5 and 8 of Township 5 South, Range 4 West of the Willamette Meridian, Yamhill County, Oregon; thence South 8° 00' West 82.0 feet to an iron pipe set on the Northeasterly margin of the Southern Pacific Railroad right of way; thence North 47° 57' West 376.00 feet to an iron pipe on said right of way line; thence along a curve to the right, the long chord of which bears North 36° 55½' West 1249.90 feet to an iron pipe; thence North 68° 41½' East 514.14 feet to the Westerly margin of said Highway 99 West; thence South 21° 18½' East 704.57 feet; thence on a curve left, the long chord of which bears South 21° 37½' East 500 feet; thence on a curve left, the long chord of which bears South 27° 30' East 265.65 feet to the point of beginning.

STATE OF WASHINGTON

5. Walla Walla, Washington - dry bulk fertilizer plant, dry bag and chemical warehouse and complete liquid fertilizer plant with aqua converter -- all leased to Walla Walla Farmers Co-op, Inc. (see attached lease)

The following described real estate, situate and being in the City and County of Walla Walla, State of Washington, to-wit:

A parcel of land situated in and being all that part of the South half of Southeast quarter of Section 19 in Township 7 North, of Range 36 East of the Willamette Meridian, in the City of Walla Walla, Walla Walla County, Washington, described as follows:

Commencing at a point in the northerly line of Rose Street in said City of Walla Walla that is 10 feet distant easterly, measured at right angles, from the westerly line of vacated Tenth Avenue North (formerly Tenth Street) as originally established 80 feet wide;

thence northerly along a straight line parallel with and 10 feet distant easterly, measured at right angles from said westerly line of vacated Tenth Avenue North, a distance of 138.5 feet;

thence easterly at right angles a distance of 120 feet to the true point of beginning of this description;

thence northerly at right angles a distance of 508.8 feet;

thence northeasterly along a straight line which forms an angle of 86° 37' from northwest to northeast with the last described line produced, a distance of 241.5 feet;

thence easterly along a straight line which forms an angle of 21° 46' from northeast to east with the last described line produced, a distance of 159.7 feet to a point in the westerly line of Mullan Avenue, 80 feet wide, as established in said city;

thence southerly along the westerly line of Mullan Avenue which forms an angle of 78° 29' from west to south with the last described line, a distance of 19.2 feet;

thence continuing southerly along the westerly line of Mullan Avenue which is a curve to the left having a radius of 995.37 feet and which is tangent to the end of the last described line, a distance of 479.7 feet, to a point in a straight line drawn through the true point of beginning and at right angles to said westerly line of vacated Tenth Avenue North;

thence westerly along said straight line drawn at right angles to said westerly line of vacated Tenth Avenue North, a distance of 251.5 feet to the true point of beginning.

Together with the industrial spur track 236 feet in length, now located upon and within the above-described property.

OWNED REAL ESTATE

PACIFIC SUPPLY COOPERATIVE

STATE OF WASHINGTON (Continued)

6. Vancouver, Washington - petroleum terminal

Beginning at a point on the West boundary line of the County Road North $89^{\circ}51'$ West 2193.32 feet, and South $5^{\circ}28'$ East 545.5 feet from the common corner of Sections 9, 10, 15 and 16, Township 2 North, Range 1 East of the Willamette Meridian; thence South $84^{\circ}32'$ West 1900 feet to a point; thence South $5^{\circ}23'$ East 299.7 feet to a point; thence North $84^{\circ}32'$ East 1900 feet to a point in the West boundary line of said County Road; thence North $5^{\circ}33'$ West tracing the West boundary line of said County Road 299.7 feet to the place of beginning; EXCEPT that portion thereof conveyed to the State of Washington for highway purposes.

Tract "A":

Beginning at the corner common to Sections Nine (9), Ten (10), Fifteen (15) and Sixteen (16), Township Two (2) North, Range One (1) East of the Willamette Meridian; thence North $89^{\circ}51'$ West 2193.32 feet to a point on the West boundary line of the County Road; thence South $5^{\circ}28'$ East along the boundary line of said County Road, 1534.38 feet to a point; thence South $2^{\circ}10'$ West along the West boundary line of said County Road, 399.83 feet; thence North $71^{\circ}10'$ West tracing old fence along the South boundary line of a .10.28 acre tract conveyed to George W. Seward, by deed recorded in volume 58, page 148, records of said County, 532.60 feet to the true point of beginning; thence North 15° East 79.41 feet; thence South $74^{\circ}52'$ East 53.58 feet; thence North $5^{\circ}35'$ West parallel to and distant 8 feet West from West row of prune trees, said course being along the Westerly line of said George W. Seward tract, 346.71 feet; thence South $84^{\circ}25'$ West 1.98 feet; thence North $5^{\circ}35'$ West parallel to and distant 10 feet West from West row of prune trees, along the Westerly line of said George W. Seward tract, 462 feet; thence South $34^{\circ}32'$ West 1435.77 feet to the Southwest corner of the tract conveyed to W. L. Sanders by deed recorded in volume 85, page 554, records of said County; thence North $5^{\circ}28'$ West 1949 feet; thence South $84^{\circ}32'$ West 58.9 feet to a point in the center of the slough; thence North $5^{\circ}24'$ West through center of the slough, 1464.60 feet to a point in Vancouver Lake; thence South $55^{\circ}51'$ West from the meander line of said Lake, 1271.50 feet; thence South $16^{\circ}32'$ East 3007.90 feet; thence South $71^{\circ}42'$ East 1091.6 feet; thence North $81^{\circ}36'$ East 763.05 feet; thence South $10^{\circ}42'$ East 242.37 feet; thence South $71^{\circ}10'$ East 185.16 feet to the true point of beginning.

EXCEPT that portion thereof acquired by the United States of America, for purposes of the Bonneville Project;
EXCEPT tidelands and bed of Vancouver Lake;
EXCEPT County or public roads.

EXHIBIT "E"

OWNED REAL ESTATE

PACIFIC SUPPLY COOPERATIVE

STATE OF WASHINGTON (Continued)

6. Vancouver, Washington - petroleum terminal (continued)

Tract "E":

Beginning at the corner of Sections Nine (9), Ten (10), Fifteen (15), and Sixteen (16), Township Two (2) North, Range One (1) East of the Willamette Meridian; thence North 89°51' West 2193.32 feet to a point on the West boundary line of the County Road; thence South 5°28' East, tracing said West boundary line of said County Road, 1534.38 feet; thence South 2°10' West along the West boundary line of said County Road, 399.83 feet; thence North 71°10' West, tracing the old fence, along the South boundary line of the 10.28 acre tract of land deeded to George W. Seward, by deed recorded in volume 58, page 148, records of said County, 446.97 feet to the true point of beginning; thence North 71°10' West 85.63 feet; thence North 15° East 79.41 feet; thence South 74°52' East 53.58 feet; thence South 5°35' East parallel to and distant 8 feet Westerly from the west row of prune trees along the West line of said George W. Seward tract, 90.66 feet to the true point of beginning.

EXCEPT County or public roads.

Tract "C":

That portion of Section Sixteen (16), Township Two (2) North, Range One (1) East of the Willamette Meridian, and of Fractional Block Twenty-nine (29), of platted School Lands in said Section, as shown on the plat thereof, recorded in volume "C" of plats, page 6, records of said County, described as follows:

Beginning at a point on the West side of the County Road 50.17 chains North and 8.35 chains East of the quarter section corner between Sections 16 and 21, Township 2 North, Range 1 East of the Willamette Meridian; thence North 2°10' East 4.77 chains along the West side of County Road; thence North 5°34' West 11.76 chains parallel to and distant 12 feet from East row of prune trees; thence South 84° West 6.92 chains, parallel to and distant 10 feet North from North row of prune trees; thence South 5°35' East 7.00 chains, parallel to and distant 10 feet West from West row of prune trees; thence North 84°25' East .03 chains; thence South 5°35' East 6.66 chains, parallel to and distant 8 feet from West row of prune trees; thence South 71°25' East 6.81 chains to point of beginning.

ALSO, a perpetual right of way for purposes of ingress and egress over the following:

Commencing at the corner of Sections 9, 10, 15 and 16, Township 2 North, Range 1 East of the Willamette Meridian; thence North 89°51' West 2193.32 feet to a point in the West boundary line of the County Road; thence South 5°28' East tracing said West boundary line of said County Road 1534.38 feet to a point; thence South 2°10' West tracing said West boundary line of said County Road 399.83 feet to a point for the point of beginning of the tract of land to be conveyed; thence North 71°10' West tracing the old fence along the South boundary line of the 10.28 acre tract of land deeded to George W. Seward, by Orson Seward 589.49 feet to a point; thence South 18°50' West 24.00 to a point; thence South 71°10' East 596.29 feet to a point in the West boundary line of said Road; thence North 3°01' East tracing the West boundary line of said Road, 24.94 feet to the point of beginning.

OWNED REAL ESTATE

PACIFIC SUPPLY COOPERATIVE

STATE OF WASHINGTON (Continued)

6. Vancouver, Washington - petroleum terminal (continued)

Tract "C" This portion has been deleted therefrom as a result of being sold

A portion of Lot 29, School Land Plat, according to the plat thereof, recorded in Volume "C" of Plats, Page 6, records of Clark County, Washington, and a portion of the Joseph Petrain Donation Land Claim, described as follows:

BEGINNING at the intersection of the South line of said Lot 29 and the Westerly line of Fruit Valley Road; thence North $65^{\circ}32'01''$ West 577.22 feet; thence North $66^{\circ}06'38''$ West 129.10 feet; thence North $4^{\circ}38'05''$ West 242.97 feet; thence North $86^{\circ}26'44''$ East 720.24 feet to a point on the Westerly line of Fruit Valley Road; thence along the arc of a curve to the right, having a radius of 2,835.43 feet through a central angle of $8^{\circ}28'00''$, an arc distance of 418.99 feet, the long chord bears South $4^{\circ}19'42''$ West 418.61 feet; thence South $8^{\circ}33'42''$ West 162.56 feet to the point of beginning.

STATE OF IDAHO

7. Post Falls, Idaho - dry fertilizer flat storage

All personal property of whatsoever kind and nature situated on that certain real property in Kootenai County, Idaho, described as follows, to-wit:

A 300' X 1300' rectangular parcel of land in Section 31, Township 51 North, Range 5 W.B.M., Kootenai County, State of Idaho, more particularly described as follows:

Beginning at the Intersection of the South line of Section 31 and the Northerly right-of-way line of the Union Pacific Railroad; thence

202 feet Northeasterly along said railroad right-of-way to the real point of beginning; thence

a distance of 1300 feet Northeasterly along railroad right-of-way to a point; thence

Northwesterly at right angles to railroad right-of-way, a distance of 300 feet to a point; thence

Southwesterly and parallel to railroad right-of-way, a distance of 1300 feet to a point; thence

Southeasterly a distance of 300 feet to the real point of beginning.

OWNED REAL ESTATE

PACIFIC SUPPLY COOPERATIVE

STATE OF IDAHO (Continued)

8. Hansen, Idaho - undeveloped land

Township 10 South, Range 19 East of the Boise Meridian, Twin Falls County, Idaho,

Section 27: A parcel of land located in the NW $\frac{1}{4}$ NE $\frac{1}{4}$ and the NE $\frac{1}{4}$ NW $\frac{1}{4}$, lying North of the Union Pacific Railroad

Company Right of Way, and West and South of the U. S. Highway 30 right of way and more specifically described as follows: From the Northwest corner of Section 27, Township 10 South, Range 19 EBM, a distance of 1323.18 feet on a bearing of South 88° 52' East along the North line of said Section 27; then

- A distance of 25.00 feet on a bearing of South 0° 37' West to a point on the South right of way line of U. S. Highway 30, this being the point of beginning. From this point of beginning, a distance of 527.10 feet on a bearing of South 0° 37' West to a point on the North right of way line of the Union Pacific Railroad Company; then
- A distance of 1760.25 feet on a bearing of South 83° 41.5' East along the North right of way line of said railroad; then
- A distance of 217.28 feet along a spiral curve to the right with a spiral angle of 2° 06' along the North right of way line of said railroad; then
- A distance of 244.02 feet along a circular curve to the right with a central angle of 4° 43', a radius of 2964.8 feet and a tangent of 122.10 feet along the North right of way line of said railroad to a point on the West right of way of U. S. Highway 30; then
- A distance of 228.12 feet along a circular curve to the left in a Northwesterly direction with a central angle of 9° 40', a radius of 1352.5 feet and a tangent of 114.37 feet along the Southwest right of way line of U. S. Highway 30; then
- A distance of 30.00 feet on a bearing of North 51° 29.5' East along a Northwest right of way line of U. S. Highway 30; then
- A distance of 1243.73 feet along a circular curve to the left in a Northwesterly direction with a central angle of 51° 32.4', a radius of 1382.5 feet and a tangent of 667.43 feet along the Southwest right of way line of U. S. Highway 30; then
- A distance of 25.0 feet on a bearing of North 1° 02.5' East along a West right of way line of U. S. Highway 30; then
- A distance of 1018.42 feet on a bearing of North 88° 52' West along the South right of way line of U. S. Highway 30 to the Point of Beginning.

OWNED REAL ESTATE

PACIFIC SUPPLY COOPERATIVE

STATE OF IDAHO (Continued)

9. Menan, Idaho - dry fertilizer plant and mixing facilities

Commencing at a point 207 rods North of the Southwest Corner of Section 4, Township 4 North, Range 38 East of the Boise Meridian; thence North 33 rods to the Northwest Corner of the Southwest Quarter of the Northwest Quarter (SW $\frac{1}{4}$ NW $\frac{1}{4}$) of said Section 4; thence East 70 feet; thence South 33 rods; thence West 70 feet to the point of beginning.

ALSO: Beginning at a point 210 rods North of the Southeast Corner of the Southeast Quarter of Section 5; township 4 North, Range 38 East of the Boise Meridian; thence South 3 rods; thence West to (a point 3 rods East of) the Railroad right-of-way; thence Northeasterly along the East side of said right-of-way to a point due West of the place of beginning; thence East to the place of beginning, reserving, however, unto the grantor a right-of-way for all manner of travel, vehicular or otherwise, reasonably necessary in the operation of that certain acreage belonging to the grantor and located in Section 4; Township 4 North, Range 38 East of the Boise Meridian.

Beginning at the NE Corner of the SE $\frac{1}{4}$ of the NE $\frac{1}{4}$ of Section 5 Township 4 North, Range 38, East of the Boise Meridian, thence running west to the East Boundary line of the Belt Line Right-of-way of the O.S.L. Railroad, thence South 17°48' West 520 feet; thence East to the East Section line of said Section 5; thence North 495 feet more or less to the point of beginning, *****

10. Blackfoot, Idaho - dry fertilizer flat storage

A portion of the W $\frac{1}{2}$ NW $\frac{1}{4}$ of Section 32 T. 2 S., R. 35 E.B.M., Bingham County, Idaho, described as

Beginning at a point which is S. 0° 57' 45" E., 25.00 feet and N. 89° 53' 15" E., 357.0 feet from the NW corner of said Section 32, and running thence N. 89° 53' 15" E. parallel to the N. line of said Section 32, 20.0 feet; thence S. 0° 56' 45" E. along a fence, 484.0 feet; thence along a fence N. 89° 59' 45" E. to the S.W. right of way line of the state highway, 868.15 feet; thence S. 54° 41' 35" E. along said S.W. highway right of way line 89.2 feet; thence S. 0° 25' 29" W., along a fence, 1353.34 feet to the Oregon Shortline Railroad Co., right of way line; thence N. 73° 52' 15" W. along said railroad company right of way line, 1343.46 feet; thence along a fence N. 0° 57' 45" W., 1030.47 feet, thence N. 89° 53' 15" E., 357.0 feet; thence N. 0° 57' 45" W., 484.0 feet to the point of beginning

OWNED REAL ESTATE

PACIFIC SUPPLY COOPERATIVE

STATE OF IDAHO (Continued)

10. Blackfoot, Idaho - dry fertilizer flat storage (continued)

Commencing at the Northwest corner of Section Thirty two (32) Township 2 South, R. 35, East of the Boise Meridian; thence North $89^{\circ} 53' 15''$ East along the North line of said Section 32, 377 feet; thence South $0^{\circ} 57' 45''$ East, 509 feet; thence North $89^{\circ} 59' 45''$ East, 868.15 feet to the southwest state highway right of way line, which point being the Real Point of Beginning and running thence North $54^{\circ} 41' 35''$ West, 349.90 feet; thence South $0^{\circ} 25' 29''$ West, 202.30 feet; thence North $89^{\circ} 59' 45''$ East, 287.03 feet to the Real Point of Beginning.

Less: This portion has been deleted therefrom as a result of being sold

Beginning at a point which is S $0^{\circ} 57' 45''$ E. 509.0 feet and N $89^{\circ} 53' 15''$ E, 377.0 feet from the NW Corner of Sec. 32, T 2 S, R 35 EMB, and running along a fence N $89^{\circ} 59' 45''$ E, 581.06 feet; thence S $0^{\circ} 25' 29''$ W, 377.90 feet; thence S $89^{\circ} 59' 45''$ W, 571.92 feet; thence N $0^{\circ} 57' 45''$ W, 377.94 feet to the point of beginning.

STATE OF UTAH

11. Spanish Forks, Utah - fertilizer plant

-Beginning at a point in a fence line which point is North 367.50 feet and West 305.48 feet from the East Quarter Corner of Section 23, Township 8 South, Range 2 East, Salt Lake Base and Meridian; thence North $0^{\circ} 06'$ East along said fence line 306.0 feet to a fence line on the Southeasterly side of the Denver & Rio Grande Western Railroad right of way; thence Southwesterly around a periphery of a curve convex Northwesterly 100.0 feet, said curve having a radius of 552.96 feet; thence continuing along said fence line South $42^{\circ} 51'$ West 402.1 feet to a curve convex Southeasterly having a radius of 1452.40 feet; thence Southwesterly around the periphery of said curve 158.8 feet to a fence line on the North line of Utah State Highway No. 115; thence South $89^{\circ} 09'$ East along said fence line 454.4 feet to a fence line; thence North $0^{\circ} 06'$ East along said fence line 178.9 feet to the point of beginning.-

Less: This portion has been deleted therefrom as a result of being sold

Beginning at a point in a fence line which point is North 367.50 feet and West 305.48 feet from the East quarter corner of Section 23, T8S, R2E, Salt Lake Base & Meridian; thence North $47^{\circ} 09'$ West 208.0 feet to a fence line on the Southeasterly side of the Denver, Rio Grande & Western Railroad right-of-way; thence South $42^{\circ} 51'$ West along said fence line 277.0 feet to a curve convex Southeasterly having a radius of 1452.40 feet; thence Southwesterly around the periphery of said curve 158.8 feet to a fence line on the North line of Utah State Highway No. 115; thence South $89^{\circ} 09'$ East along said fence line 454.4 feet to a fence line; thence North $0^{\circ} 06'$ East along said fence line 178.9 feet to the point of beginning.

EXHIBIT "E"
FULL CIRCLE, INC.
OWNED REAL ESTATE

IDAHO

1. Warranty Deed 191550 for property described below at Aberdeen, Idaho

Block 80 of the Aberdeen Townsite, now City of Aberdeen, Bingham County, Idaho, according to the Amended Plat recorded in Book 3 of Plats, Page 54, records of said County. EXCEPTING all that part lying East of the alley in said Block, and EXCEPTING, right-of-way of Oregon Short Line Railroad Company as described in Deed recorded in Book 12 of Deeds, Page 396, records of said County. ALSO EXCEPTING the East 56.7 feet of Lots 10, 11, 12 of said Block 80. TOGETHER WITH the right of ingress and egress over the following described adjacent real property: Beginning at a point on the West line of Lot 10 in said Block 80 which bears South 0°17' West 131 feet from the Northwest corner of Lot 12 in said Block 80, and running thence South 89°43' East 93 feet, thence North 0°17' East 6 feet, thence South 89°43' East 47 feet to the East line of Lot 10 in said Block, thence North 0°17' East along the East line of said Lot 10, 23 feet to the South property line of the above conveyed tract, thence North 89°43' West 56.7 feet along the South property line of the above conveyed tract; thence South 0°17' West 9 feet, thence North 89°43' West 83.3 feet (in line with the South edge of a concrete slab) to the West line of said Lot 10, thence South 0°17' West 20 feet, more or less, along said West line of said Lot 10, to the Point of Beginning, AND, Beginning at a point on the North line of said Lot 12 in said Block 80, which point bears South 89°43' East 83.3 feet from the Northwest corner of said Lot 12, thence South 0°17' West 43.5 feet to the North property line of the above conveyed tract, thence South 89°43' East 56.7 feet along the North property line of the above conveyed tract to the Easterly line of said Lot 12, thence North 0°17' East 43.5 feet along the East line of said Lot 12 to a point on the North line of said Lot 12, thence North 89°43' West 56.7 feet, more or less, along the North line of said Lot 12, to the Point of Beginning.

2. Warranty Deed for property described below at American Falls, Idaho.

Lots 1 thru 5 inclusive, Block 26
Lots 1 thru 12 and Lots 38 thru 48 inclusive,
Block 28, RECLAMATION ADDITION TO the City
of American Falls, Idaho, according to the
Official plat thereof, filed December 3, 1923,
in the office of the County Recorder of Power
County, Idaho.

Bargain and Sale Deed for property described below owned by Full Circle, Inc. at Jerome, Idaho

A. PARCEL I:

Block A Two Hundred Sixty Seven (A-267), Jerome Townsite, excepting a ten (10) foot strip along the north boundary thereof;
the north 135.04 feet of Blocks A Two Hundred Sixty Nine (A-269) and A Two Hundred Seventy (A-270), Jerome Townsite; and
that part of Block A Two Hundred Sixty Six (A-266), Jerome Townsite, described as follows: beginning at the southeast corner of said Block A-266; thence west for a distance of 132.0 feet to the true point of beginning; thence northwesterly on a 3° 00' curve right to the west boundary of Block A-266, which point is 143.0 feet south of the northwest corner of the original Block A-266; thence south to the southwest corner of Block A-266 a distance of 162.0 feet; thence east along the south boundary of Block A-266, a distance of 208.31 feet, to the true point of beginning; containing in all 5.00 acres, but not including any water right as evidenced by shares of stock of the North Side Canal Co., Ltd.

B. PARCEL II:

The South 184.96 feet of Block A-Two Hundred Sixty Nine (A-269) and the South 184.96 feet of Block A-Two Hundred Seventy (A-270), Jerome Townsite, containing 2.889 acres, more or less.

EXHIBIT "E"
FULL CIRCLE, INC.
OWNED REAL ESTATE

IDAHO

4. Warranty Deed for property owned by Full Circle, Inc. at Malta, Idaho:

✓ Beginning at a point which is 40 feet East and 144.2 feet North of the Southwest corner of the Northeast Quarter of the Southwest Quarter of Section 12, Township 13 South, Range 26 East Boise Meridian, thence North 112 feet; thence East 150 feet; thence South 257.5 feet, thence West 150 feet; thence North 145.5 feet, more or less to the point of beginning.

5. Bargain and Sale Deed for property owned by Full Circle, Inc. at Burley, Idaho:

✓ Lots 17, 18, 19, 20, 21, 22, 23, 24 and 25 in Block 122 of the Burley Townsite, as the same is platted in the official plat thereof, now of record in the office of the County Recorder of the County of Cassia, State of Idaho.

IDAHO

6. Bargain and Sale Deed for property described belowed owned at Twin Falls, Idaho:

A. PARCEL I:

That part of the Northeast Quarter of the Northeast Quarter (NE 1/4 NE 1/4) of Section Fifteen (15), Township Ten (10) South, Range Sixteen (16), East of the Boise Meridian, described as:

BEGINNING at a point on the Section line between Sections Ten (10) and Fifteen (15) of said Township and Range, and 361.5 feet west of the Northeast corner of Section Fifteen (15);

THENCE South parallel to the east line of Section 15, 361.5 feet;

THENCE East parallel to the North line of Section 15, 361.5 feet;

THENCE North on the East line of Section 15, 119.5 feet more or less to the Southeast corner of the parcel of land previously conveyed to the O. S. L. Railroad;

THENCE Northwesterly parallel to the center of the main line of the O. S. L. Railroad to where it intersects with the north line of Section 15;

THENCE West to the point of beginning;
together with the improvements located thereon.

B. PARCEL II:

✓ Township 10 South, Range 16 East of the Boise Meridian, Twin Falls County, Idaho,

Section 15: A part of the NE 1/4 NE 1/4, .

described as follows: Commencing at the Northeast corner of said Section, thence running,

West along the north boundary of said Section 15 for 361.5 feet to the true point of beginning, thence

South parallel to the east boundary of said Section 15 for 361.5 feet; thence

East parallel to the north boundary of said Section 15 for 361.5 feet; thence

South along the east boundary of said Section 15 for 327.0 feet; thence

West parallel to the North boundary of said Section for 470.5 feet; thence

North parallel to the east boundary of said Section for 688.5 feet; thence

East along the north boundary of said Section 15, 109.0 feet to the true point of beginning.

Subject to easements and rights of way of record, in the office of the Twin Falls County Recorder, Twin Falls County, Idaho.

The dry land is conveyed as dry land without water right whatsoever; said water right having been transferred to other lands of the Grantor prior to this conveyance.

C. PARCEL III:

✓ Township 10 South, Range 16 East of the Boise Meridian, Twin Falls County, Idaho,

Section 14: A part of the NW 1/4 NW 1/4,

more particularly described as follows: Commencing at the northwest corner of said Section 14, and assuming the North boundary of said Section 14 to bear South 88° 49' East, thence running

South 0° 54' West along the West boundary of said Section 14 for 176.35 feet to the true point of beginning; thence

South 0° 54' West along the said West boundary of said Section 14 for 58.10 feet; thence

South 77° 11' East for 99.34 feet; thence

North 50° 07' West for 125.00 feet to the TRUE POINT OF BEGINNING.

EXHIBIT "E"
FULL CIRCLE, INC.
OWNED REAL ESTATE

OREGON

1. Property owned at Tangent, Oregon by Full Circle, Inc. on which facilities are situated:

✓ Beginning at a point on the West right of way line of the Southern Pacific Railroad which bears North 89° 38' West 866.45 feet from the Southeast corner of the Adam Settlemier Donation Land Claim No. 40, in Township 12 South, Range 3 West of the Willamette Meridian, in Linn County, Oregon; and then running North 0° 05' East 708.55 feet to a point and running thence North 89° 55' West 361 feet more or less to the East right of way line of the Pacific Highway; thence South along the East line of said highway 99E to where the same crosses the South line of said Donation Land Claim; thence East along the South line of said Donation Land Claim to the place of beginning. Subject to the right of the public in roads.

2. Property owned at Hillsboro, Oregon by Full Circle, Inc. on which facilities are situated:

PARCEL I:

Situated in Section 36 Township 1 North, Range 3 West, W.M. Washington County, Oregon, described as follows:

- A. Beginning at a point on the North line of the Oregon Electric Railway right of way, said point of beginning being South 577.35 feet from a stone marking the easterly re-entrant corner on the South line of the Henry Davis D.L.C. #68; thence North a distance of 380.0 feet to the Southeast corner of that certain tract conveyed to Pacific Mausoleum Co., Inc. on June 4, 1973, in book 927, page 949 in Washington County, Oregon deed records; thence North 89° 21' West along the South line of said property 313.57 feet to an iron rod on the South line of the Henry Davis D.L.C. #68; thence South 58° 18' West along said South line 887.55 feet to the North line of the Oregon Electric Railway right of way; thence Easterly following the said Oregon Electric Railway right of way to the point of beginning.

PARCEL II:

- B. ✓ Beginning at the Southwest corner of grantor's land on the North line of the Oregon Electric Railway right of way, said point of beginning being South 577.35 feet from a stone marking the easterly re-entrant corner on the South line of the Henry Davis D.L.C. #68; thence North along the west line of grantor's land 380.0 feet to the Southwest corner of that certain tract conveyed to Gordon H. Bronleewe and Fern Bronleewe on September 3, 1959, in Book 422, page 19, in Washington County, Oregon Deed Records; thence easterly along the Southerly line of said Bronleewe tract to a point on the West line of West Main Street as it now exists; thence Southerly along the West line of said Main Street to the Southwest corner of grantor's land and the point of beginning.

EXCEPT, that portion conveyed to Pacific Supply Cooperative, an Oregon Corporation on June 26, 1962, in Book 465, page 474, Washington County, Oregon Deed Records.

PARCEL III:

- C. ✓ A tract of land in Section 36, Township 1 North, Range 3 West, Willamette Meridian, beginning at the southwest corner of grantor's lands on the North line of the Oregon Electric Railway right-of-way, said point of beginning being South 577.35 feet from a stone marking the easterly re-entrant corner on the South line of the Henry Davis D.L.C. #68; thence North along the West line of grantor's lands 50 feet to a point; thence S. 89° 21' E. 13 feet more or less to the West line of West Main Street as it now exists; thence southerly along the West line of said Main Street to the Southwest corner of grantor's lands, the point of beginning.

EXHIBIT 'E'
FULL CIRCLE, INC.
OWNED REAL ESTATE

3. Property owned at Dufur, Oregon:

- A. Parcel #1: That portion of Tracts 31, 32, 33, 34, 35, 36, 37 and 38, DUFUR ORCHARDS bounded as follows: on the East by The Dalles-California Highway No. 197; on the West by the Extension Northerly of Court Street; on the North by The Dalles-California Highway No. 197 right-of-way; and on the South by the North line of Dufur Fifth Addition TOGETHER WITH the vacated road adjacent said lots running in a North-South direction.
- B. Parcel #2: The South half of Block 25 and beginning at a point on the East line of Block 26, 85 feet North of the Southeast corner thereof, thence 85 feet South to the Southeast corner of Block 26, thence West 100 feet on the Southerly line of Block 26 to a point, then Northeasterly to the point of beginning on the East line of Block 26, all in the Fourth Addition to the City of Dufur.
- C. The Dalles Parcel #3: Beginning at a point which is on the Northwest corner of the East pier of an old bridge across Three-Mile Creek and on the South boundary of the Union Pacific Railroad right-of-way and being 688.9 feet North and 1627.9 feet East of the one-quarter South corner between Sections 1 and 2, Township 1 North, Range 13 East of the Willamette Meridian; thence North 68°38' East 420.5 feet to an iron pipe by a concrete monument; thence South 00°29' West 100.6 feet to a concrete monument on the North right-of-way line of the Columbia River Highway; thence South 62°43' West 383.5 feet to an iron pipe on the North right-of-way line of the Columbia River Highway; thence north 21°22' West 126 feet to the point of beginning.

EXHIBIT "E"
FULL CIRCLE, INC.
OWNED REAL ESTATE

OREGON

4. Property owned at Madras, Oregon:

✓ A. Lots 8, 9, 10 and 11, Block 20, Plat of Industrial Sites Number 1 Subdivision, as the same is shown on the Plat thereof on file and of record in the office of the County Clerk of the County of Jefferson, State of Oregon.

✓ B. A tract of land in the Southwest one-quarter of the Southwest one-quarter of Section 36, Township 10 South, Range 13 East of the Willamette Meridian, Jefferson County, Oregon, more particularly described as follows:

Beginning at a point on the Northerly right of way line of the relocated Jefferson County Road known as Birch Lane; said point being 30 feet distant when measured at right angles from Engineer's centerline Station 7 + 89.36, said point further being 370.71 feet North and 578.08 feet East of the Southwest corner of said Section 36; thence South 54°58'50" West along the said Northerly right of way line 500.76 feet; thence along the arc of 294.68 foot radius curve right 54.85 feet (the long chord of which bears South 60°18'47" West 54.77 feet) to the Easterly right of way line of the Union Pacific Railroad; thence Leaving the said Birch Lane right of way line, North 29°53' East along the said Easterly right of way of the Union Pacific Railroad line 484.34 feet to the Southwest corner of Pacific Supply Cooperative Tract No. 2; thence South 64°01' East along the Southwesterly line of said Pacific Supply Cooperative Tract No. 2, 240.70 feet to the point of beginning of this description.

Contains 1.36 acres more or less.

✓ C. A tract of land in the Southwest quarter of the Southwest quarter of Section 36, Township 10 South, Range 13 East of the Willamette Meridian, Jefferson County, Oregon, more particularly described as follows:

Beginning at a point on the Northerly right of way line of the relocated Jefferson County Road known as Birch Lane, said point being 30 feet distant when measured at right angles from Engineers' Centerline Station 4 + 54.73, said point further being 579.85 feet North and 829.79 feet East of the Southwest corner of said Section 36; thence North 45° 16' West 366.44 feet to the Easterly right of way line of the Union Pacific Railroad; thence North 29° 53' East along said right of way line 350.00 feet to the Southerly line of that tract conveyed to Eastern Oregon Mills, Inc., as described in deed recorded February 14, 1949, in Volume 20, Page 394, Deed records of Jefferson County, Oregon; thence South 45° 16' East along said line 475 feet more or less to the Northerly right of way line of said relocated County road; thence Southwesterly along said right of way line 337.5 feet more or less to the point of beginning of this description.

✓ D. Commencing at a point which is 773.59 feet North and 1114.92 feet East of the Southwest corner of Section 36, Township 10 South, Range 13 East of the Willamette Meridian, said point being on the intersection of the Northerly right-of-way line of a public road and the Westerly right-of-way line of the Warm Springs Highway (U. S. No. 26); thence North 45° 16' West 522.33 feet to a point on the Easterly right-of-way line of the Union Pacific Railroad; thence South 29° 53' West along the Easterly right-of-way line of said Union Pacific Railway 350.0 feet to the true point of beginning of this description; thence South 45° 16' East 375.52 feet to a point on the Northerly right-of-way line of said public road; thence South 54° 19' West along the Northerly right-of-way line of said public road 335.54 feet; thence North 64° 01' West 224.70 feet to a point on the Easterly right-of-way line of the Union Pacific Railway; thence North 29° 53' East along the Easterly right-of-way line of said Union Pacific Railway 417.00 feet to the true point of beginning of this description.

All being in the Southwest quarter of the Southwest quarter of Section 36, Township 10 South, Range 13 East of the Willamette Meridian.

Contains 2.500 acres, more or less.

EXHIBIT "E"
FULL CIRCLE, INC.
OWNED REAL ESTATE

WASHINGTON

1. Statutory Warranty Deed No. 301890, on property at Quincy, Washington:

✓ Tract No. 5, Schroek Orchard Tracts, Grant County, Washington, according to the plat thereof filed in the Office of the Auditor of said County on August 11, 1911, EXCEPTING THEREFROM the following two parcels:

PARCEL 1: A strip of land 80 feet in width conveyed to the United States of America by deed dated February 28, 1951, filed March 19, 1951, as Auditor's File No. 169195.

PARCEL 2: A strip of land deeded to the State of Washington by deed dated May 7, 1952, filed June 24, 1952, as Auditor's File No. 187759, the said parcel being a part of the right of way of Primary State Highway No. 7.

Said conveyance is subject to a contract to purchase the improvements on that part of said land used for canal right of way in favor of the United States of America, dated February 24, 1950, filed November 20, 1950, as Auditor's File No. 164941, the said line of said canal being described in the said contract.

2. Deed No. 408331, for property at Wheeler, Washington:

✓ All that part of the Southeast Quarter of the Southeast Quarter (SE 1/4 SE 1/4) of Section Sixteen (16), Township Nineteen (19) North, Range Twenty-nine (29) E.W.M., Grant County, State of Washington, lying east of the easterly line of right-of-way of the Northern Pacific Railway, which easterly line of right-of-way is distant 150 feet easterly, measured at right angles, from the center line of main track of said railway; EXCEPTING therefrom an easement for County Road 60 feet wide along the north side of said Southeast Quarter of Southeast Quarter; containing, exclusive of said right-of-way for County Road, 5.96 acres, more or less.

3. Deed No. 235562 on property at Basin City, Washington:

✓ A parcel of land in the Northeast Quarter of the Northeast Quarter (NE 1/4 NE 1/4) of Section Twenty-six (26), Township Thirteen (13) North, Range Twenty-nine (29) East W.M., described by metes and bounds as follows:

Commencing at the Northwest corner of the Northeast Quarter of the Northeast Quarter of said section 26; thence East along the northern boundary line of said section, a distance of three hundred seventy-five feet (375'); thence South on a line parallel with the East boundary line of said Section 26, to the Northeastly right of way line of the Northern Pacific Railroad, a distance of 916 feet, more or less; thence Northwesterly along the said Northeastly right of way line of the Northern Pacific Railroad to the point that said line intersects with the West boundary line of the Northeast Quarter of the Northeast Quarter of said Section; thence North on said last-mentioned boundary line to the point of beginning, a distance of 460 feet, more or less, which parcel contains 5.92 gross acres, more or less, and contains 5.58 net acres more or less, deducting the northerly 40 feet thereof, containing .34 acres, more or less, taken for road right of way for State Highway, 11-A.

SUBJECT TO: Roads, right of ways, and easements of record, presently used, or shown on the face of the Farm Unit plat for Irrigation Block 19, Columbia Basin Project.

EXHIBIT "E"
FULL CIRCLE, INC.
OWNED REAL ESTATE

WASHINGTON

4. Statutory Warranty Deed for Property at Royal City held by Full Circle:

- ✓ A. That portion of the South Half of the Southeast Quarter of Section 1, Township 16 North, Range 25 East, 4. M., Grant County, Washington, more particularly described as follows: Beginning at the monument located at the intersection of Catalpa and Canella Streets as recorded in Plat of Royal City Plat No. 3 recorded in Grant County, Washington, thence North $1^{\circ}58'32''$ East a distance of 385.0 feet to the center line of Daisy Street extended; thence South $88^{\circ}01'28''$ East a distance of 349.0 feet; thence South $1^{\circ}58'32''$ West a distance of 385.0 feet to the center line of Canella Street extended; thence North $88^{\circ}01'28''$ West a distance of 349.0 feet to the point of beginning. This description includes the Easterly 20 feet of Lots 106 and all of Lots 107, 108, 109 and 110, inclusive, in Royal City Plat No. 3, according to the Plat thereof recorded November 5, 1957 in said County, and the Area Northerly and Easterly adjacent to said lots not included in said Plat.

B. Statutory Warranty Deed No. 636110 for property at Royal City, Washington:

✓ Lot 105 and the West 5 feet of Lot 106, Plat No. 3
Royal City, Grant County, Washington, according to
Plat thereof filed November 5, 1957.

5. Warranty Deed Exhibit "B" for property at Pomeroy, Washington:

- ✓ A. Lots 1, 2 and 3, Block 13, Mulkey's Addition to the
Town, now City of Pomeroy, according to the recorded
plat thereof,

Real Estate Sale Contract for the following described real estate at Pomeroy,
Washington:

of Section 36

- B. That part of the NE $\frac{1}{4}$ SE $\frac{1}{4}$ of Township 12 North, Range 41 East, W. M., Garfield County, Washington, more particularly described as follows: Commencing at the Northwest corner of said NE $\frac{1}{4}$ SE $\frac{1}{4}$; thence S. $0^{\circ}8'13''$ W. along the west line of said NE $\frac{1}{4}$ SE $\frac{1}{4}$ a distance of 675.93 feet to a point on the South Right-of-way line of U. S. Highway No. 12, said point being the true place of beginning; thence continue S. $0^{\circ}8'18''$ W. a distance of 539.92 feet; thence S. $78^{\circ}50'E$. a distance of 611.5 feet; thence N. $71^{\circ}27'13''E$. a distance of 99.76 feet; thence N. $14^{\circ}00'E$. a distance of 421.75 feet to a pin set in a wire fence evidencing the Southerly bounds of the old highway; thence N. $63^{\circ}27'W$. along said wire fence a distance of 77.25 feet to a point on the South right-of-way line of U. S. Highway No. 12; thence N. $75^{\circ}52'W$. along said right-of-way line a distance of 749.88 feet to the true place of beginning, containing 8.8 acres more or less.

ENCUMBRANCES

PACIFIC SUPPLY COOPERATIVE

The numbers and locations appearing below are the same as set forth on Exhibit "B" for the purpose of identifying each individual piece of property.

STATE OF OREGON

1. Portland, Oregon - home office building and parking lot across the street

MORTGAGE

Mortgage, including the terms and provisions thereof, dated April 17, 1967, recorded April 21, 1967, in Book 557, Page 1229, Mortgage Records, given to secure the payment of \$2,764,600.07, with interest thereon and such future advances as may be provided therein, executed by Pacific Supply Cooperative, a corporation of Oregon to Spokane Bank of Cooperatives, a corporation of the United States of America. (Affects all Block 189 except Lot 4 and other property)

2. Portland, Oregon - undeveloped river front property (Rivergate Project)

CONCRETE PLANT PERMIT (The following is a copy of the permit.)

August 18, 1977

A. Charles Steinwandel, Vice-President
Ross Island Sand & Gravel Co.
4129 S.E. McLoughlin Blvd.
Portland, Oregon 97202

TEMPORARY PERMIT - RIVERGATE CONCRETE PLANT

This will confirm previous discussions between yourself and Pacific Supply Cooperative concerning the temporary location of the concrete batch plant on Pacific Supply Cooperative land at Rivergate Industrial District, as follows:

1. This is a temporary permit and can be canceled by either party upon 30 days written notice after July 1, 1977.
2. The land covered by the permit is 400 by 724 feet in size located along the waterfront immediately downstream of the Oregon Steel Mills' property at Rivergate Industrial District.
3. A \$200 monthly minimum shall apply against a 20¢ per cubic yard throughput charge for concrete sales and a 20¢ per cubic yard throughput charge for loose aggregate, to be reconciled quarterly.
4. This permit shall become effective Friday, July 1, 1977 and continue in force until terminated, as outlined above.
5. Ross Island Sand & Gravel Company agrees to abide by all applicable rules and regulations of governmental authorities having jurisdiction over this type of operation.
6. Ross Island Sand & Gravel Company further agrees to save and hold harmless Pacific Supply Cooperative from any and all damages or claims resulting from the use of this temporary permit.

(Continued)

ENCUMBRANCES

PACIFIC SUPPLY COOPERATIVE

STATE OF OREGON (Continued)

2. Portland, Oregon - undeveloped river front property (Rivergate Project) (continued)

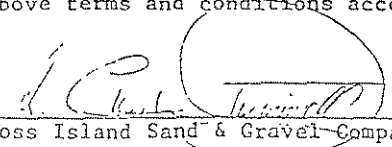
7. At the termination of this temporary permit, the land will be restored to its original condition and all improvements removed, all at your own expense.

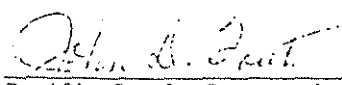
If the above terms and conditions are acceptable, please sign in the space provided below and return to me.

A. Charles Steinwandel
Vice-President, Operations

John Fouts
Vice-President, Merchandise

Above terms and conditions accepted by:


Ross Island Sand & Gravel Company


Pacific Supply Cooperative

3. Ontario, Oregon - dry fertilizer plant

LEASE OF FACILITY

- a-1. Date of Lease January 1, 1976
- b-2. Term of Lease : 1 year
- c-3. Landlord: Name: PACIFIC SUPPLY COOPERATIVE
- State of Incorporation: Oregon
- Address: P. O. Box 3588, Portland, Oregon 97208
- Tenant: Name: Farmers Supply Cooperative
- State of Organization: Oregon
- Address: 814 S. W. Fourth Ave., Ontario, Or 97914
- d-4. Rental: Amount
- | | |
|-------------------------|--------------------------------|
| Dry Fertilizer Plant | \$1,991.57 |
| Liquid Fertilizer Plant | 231.59 (SEE EXHIBIT "G" No. 1) |
| | \$2,223.16 per month |
- Date of First Payment: () Will be shown on invoice
- Payment Date: ()
- e-5. Option to Renew: Number of Terms: Unlimited (See No. f-6)
- Length of Terms: 1 Year
- Time of Notice: Thirty (30) days before expiration of current term.
- f-6. Miscellaneous:

In the event Landlord desires to terminate the lease or any extension, it shall give notice to Tenant not less than thirty (30) days prior to the expiration of the term of the lease or any extension, in which event, Landlord may refuse to accept any further notice of Tenant's option to renew beyond the current term and the lease will terminate.

ENCUMBRANCES

PACIFIC SUPPLY COOPERATIVE

STATE OF OREGON (Continued)

4. Whiteson, Oregon - dry fertilizer plant (purchasing on contract)

An easement, including the terms and provisions thereof, from Glen R. Martin and Beatrice L. Martin, husband and wife to Northwest Natural Gas Company, an Oregon corporation, dated and recorded February 25, 1964 in Film Volume 35, Page 675, Deed and Mortgage records.

Contract of Sale, including the terms and provisions thereof, between Glen R. Martin and Beatrice L. Martin, husband and wife, vendors and Pacific Supply Cooperative, a cooperative association, vendees, dated March 31, 1969 and recorded April 9, 1969 in Film Volume 75, Page 366, Deed and Mortgage records.-----

STATE OF WASHINGTON

5. Walla Walla, Washington - dry bulk fertilizer plant, dry bag and chemical warehouse and complete liquid fertilizer plant with aqual converter -- all leased to Walla Walla Farmers Co-op, Inc.

1. Reservations contained in deed from Oregon-Washington Railroad & Navigation Company, an Oregon corporation, to Union Pacific Railroad Company, a Utah corporation, dated December 19, 1952, filed for record April 6, 1953, as document No. 362432, and recorded in Book "264" of Deeds at page 464, as follows:

"EXCEPTING from this conveyance and reserving unto Oregon-Washington Railroad & Navigation Company, its successors and assigns forever, all minerals and all mineral rights of every kind and character now known to exist or hereafter discovered, including, without limiting the generality of the foregoing, oil and gas and rights

thereto, together with the sole, exclusive and perpetual right to explore for, remove and dispose of said minerals by any means or methods suitable to Oregon-Washington Railroad & Navigation Company, its successors and assigns, but without entering upon or using the surface of the lands hereby conveyed, and in such manner as not to damage the surface of said lands or to interfere with the use thereof by the grantee, its successors or assigns.

"This conveyance and any covenants implied by law herein are subject to:

"The right of the City of Walla Walla, a municipal corporation, to construct, maintain and operate certain pipe lines on the above-described property, granted by agreement dated January 2, 1914, between Oregon-Washington Railroad & Navigation Company and said City, and any amendments thereof.

"The right of Pacific Power & Light Company, a corporation, to construct, maintain and operate an electric power transmission line and appurtenances on the above-described property, granted by agreement dated December 4, 1928, between Oregon-Washington Railroad & Navigation Company and said Pacific Power & Light Company, and any amendments thereof.

"The right of The Pacific Telephone and Telegraph Company, a corporation, to construct, maintain and operate a telephone wire line and appurtenances on the above-described property, granted by agreement dated January 28, 1947, between Oregon-Washington Railroad & Navigation Company, Union Pacific Railroad Company and said The Pacific Telephone and Telegraph Company, and any amendments thereof."

ENCUMBRANCES

PACIFIC SUPPLY COOPERATIVE

STATE OF WASHINGTON (Continued)

5. Walla Walla, Washington - (continued)

2. Reservations contained in deed from Oregon-Washington Railroad & Navigation Company, an Oregon corporation, and City Bank Farmers Trust Company, a New York corporation, as Trustee, to Union Pacific Railroad Company, a Utah corporation, dated February 5, 1953, filed for record April 6, 1953, as document No. 362433, and recorded in Book "264" of Deeds at page 469, as follows:

"Excepting from this conveyance and reserving unto Oregon-Washington Railroad & Navigation Company, its successors and assigns forever, all minerals and all mineral rights of every kind and character now known to exist or hereafter discovered including, without limiting the generality of the foregoing, oil and gas and rights thereto, together with the sole, exclusive and perpetual right to explore for, remove and dispose of said minerals by any means or methods suitable to Oregon-Washington Railroad & Navigation Company, its successors and assigns, but without entering upon or using the surface of the lands hereby conveyed, and in such manner as not

to damage the surface of said lands or to interfere with the use thereof by the grantee, its successors or assigns.

"Further excepting and reserving unto Oregon-Washington Railroad & Navigation Company, its successors, assigns and lessees forever, the right to use and to operate trains, engines and cars upon the above-described industrial spur track.

"This conveyance and any covenants implied by law herein are subject to:

"The right of the City of Walla Walla, a municipal corporation, to construct, maintain and operate certain pipe lines on the above-described property, granted by agreement dated January 2, 1914, between Oregon-Washington Railroad & Navigation Company and said City, and any amendments thereof."

3. Reservations contained in deed from Union Pacific Railroad Company, a Utah corporation, to Pacific Supply Cooperative, a cooperative association, dated February 25, 1953, filed for record April 6, 1953, as document No. 362434, and recorded in Book "264" of Deeds at page 475, as follows:

"EXCEPTING from this conveyance and reserving unto Union Pacific Railroad Company, its successors and assigns forever, all minerals and all mineral rights of every kind and character now known to exist or hereafter discovered, including, without limiting the generality of the foregoing, oil and gas and rights thereto, together with the sole, exclusive and perpetual right to explore for, remove and dispose of said minerals by any means or methods suitable to Union Pacific Railroad Company, its successors and assigns, but without entering upon or using the surface of the lands hereby conveyed, and in such manner as not to damage the surface of said lands or to interfere with the use thereof by the grantee, its successors or assigns.

"FURTHER EXCEPTING AND RESERVING unto Union Pacific Railroad Company, its successors, assigns and lessees forever, the right to use and operate trains, engines and cars upon the aforesaid industrial spur track. By acceptance of this conveyance the grantee agrees to enter into a written agreement with the grantor and Oregon-Washington Railroad & Navigation Company, a corporation, providing for maintenance and operation of said track, which agreement shall be substantially in the form of the said railroad companies' standard form of industry track contract.

"This conveyance and any covenants herein implied by law shall be and are subject to:

"The right of the City of Walla Walla, a municipal corporation, to construct, maintain and operate certain pipe lines on the above-

PACIFIC SUPPLY COOPERATIVE

STATE OF WASHINGTON (Continued)

5. Walla Walla, Washington - (continued)

described property, granted by agreement dated January 2, 1914, between Oregon-Washington Railroad & Navigation Company and said City, and any amendments thereof.

"The right of Pacific Power & Light Company, a corporation, to construct, maintain and operate an electric power transmission line and appurtenances on the above-described property, granted by agreement dated December 4, 1928, between Oregon-Washington Railroad & Navigation Company and said Pacific Power & Light Company, and any amendments thereof.

"The right of the Pacific Telephone and Telegraph Company, a corporation, to construct, maintain and operate a telephone wire line and appurtenances on the above-described property, granted by agreement dated January 28, 1947, between Oregon-Washington Railroad & Navigation Company, Union Pacific Railroad Company and said The Pacific Telephone and Telegraph Company, and any amendments thereof."

LEASE OF FACILITY

a-1. Date of Lease: July 1, 1975

b-2. Term of Lease: 1 year

c-3. Landlord: Name: PACIFIC SUPPLY COOPERATIVE

State of Incorporation: Oregon

Address: P. O. Box 3588, Portland, Oregon 97208

Tenant: Name: Walla Walla Farmers Co-op

State of Organization: Washington

Address: P. O. Box 928, Walla Walla, Washington 99362

d-4. Rental: Amount See 6B Below

Date of First Payment: () Will be shown on invoice

Payment Date: ()

e-5. Option to Renew: Number of Terms: Unlimited (See No. f-6)

Length of Terms: 1 year

Time of Notice: Thirty (30) days before expiration of current term.

f-6. Miscellaneous:

In the event Landlord desires to terminate the lease or any extension, it shall give notice to Tenant not less than thirty (30) days prior to the expiration of the term of the Lease or any extension, in which event, Landlord may refuse to accept any further notice of Tenant's option to renew beyond the current term, and the Lease will terminate at the end of the current term.

\$1,100.00 per month as an advance against the total actual annual costs incurred by Pacific Supply in the operations of this lease, which are estimated to be approximately \$13,200.00 annually. To the extent that the actual total costs exceed \$13,200.00 annually, Pacific Supply will issue an additional charge to Walla Walla Farmers Co-op for the balance. To the extent that the actual cost is less than \$13,200.00 Pacific Supply will issue a refund.

ENCUMBRANCES

PACIFIC SUPPLY COOPERATIVE

STATE OF WASHINGTON (Continued)

6. Vancouver, Washington - petroleum terminal

Easement for right of way in and over said premises, for poles for transmission of electric current, as granted by Joseph Kaufman, single, to Northwestern Electric Company, a Washington corporation, by instrument dated September 19, 1929, recorded December 27, 1929, in volume 203, page 20, under auditor's file No. C82415; together with the right to cut, remove and destroy such trees and brush as may be necessary in constructing, maintaining and protecting such lines from damage; and crop or property damage, if any, to be arbitrated if not agreed upon between the parties. (Affects Tract "A" and Tract "B").

Easement for a permanent right of way over, upon, under and across said premises, granted by The Union Central Life Insurance Company, a corporation, and Robert E. Davis and Vivian Davis, husband and wife, to United States of America for Bonneville Power Line right of way, dated July 13, 1942, recorded September 2, 1942, in volume 324, page 167, under auditor's file No. E 73156. (Affects Tract "A").

Easement for transmission line for Bonneville Power Administration, granted by Robert E. Davis and Vivian Davis, husband and wife, to United States of America, dated May 28, 1952, recorded July 29, 1952, in volume 554, page 329, under auditor's file No. G 107890. (Affects Tract "A").

Exceptions and reservations contained in deed from the State of Washington, recorded under auditor's file No. 47588, in volume 90, page 27, whereby the grantors excepts and reserves all oils, gases, coal, ores, minerals, fossils, etc., and the right of entry for opening, developing and working mines, etc., provided that no rights shall be exercised until provision has been made for full payment of all damages sustained by reason of such entry. (Affects that portion of Tract "C" lying within said Block 29).

Question as to the existence and outstanding rights of users of a roadway running along the Southerly line of Tracts "A", "B", and "C" indicated by references in the record.

STATE OF IDAHO

7. Post Falls, Idaho - dry fertilizer flat storage

NO KNOWN ENCUMBRANCE

ENCUMBRANCES

PACIFIC SUPPLY COOPERATIVE

STATE OF IDAHO (Continued)

8. Hansen, Idaho - undeveloped land

Assessments of American Falls Reservoir District which are currently collected with general taxes.

Easement contained in Final Order and Judgment of Condemnation dated July 25, 1935, recorded April 8, 1936, in Book 17 of Miscellaneous, page 616, records of Twin Falls County, Idaho, said easement being adjacent to the described highway right of way for relocation of all irrigation and/or drainage ditches and structures now located on such right of way and such surface drain ditches as may be necessary to the proper construction of the highway.

Power Easement dated August 29, 1952, given by Earl Barnes and Eva G. Barnes, his wife to Idaho Power Company, granting the right to construct, operate and maintain electric transmission distribution and telephone circuits or any of them attached to a single line of poles, on, over and across the NW $\frac{1}{4}$ NE $\frac{1}{4}$ of Section 27, Township 10 South, Range 19 EBM, recorded February 6, 1954, in Book 180 of Deeds, page 177, records of Twin Falls County, Idaho.

9. Menan, Idaho - dry fertilizer plant and mixing facilities

Reserving unto the grantor of that certain deed recorded in book 177 of deeds at Page 424, records of Jefferson county, Idaho, a right-of-way for all manner of travel vehicular or otherwise reasonably necessary in the operation of that certain acreage belonging to the grantor and located in Section 4, Township 4 North, Range 38 East of the Boise Meridian.

Easements and Rights-of-Ways for Highways, Roads, Ditches, Canals, Pole, Power and Transmission lines if any.

10. Blackfoot, Idaho - dry fertilizer flat storage

Provisions in deed to State of Idaho, recorded April 29, 1954, as Instrument No. 35838, records of said County, substantially as follows: No building or structures, except irrigation or drainage structures, will be permitted to be constructed within 20 feet of the highway, and no billboards or other advertising signs will be permitted closer than 100 feet from said highway, excepting signs pertaining to business established on land adjacent to the highway.

Easement granted adjacent to said highway right of way for relocation of all irrigation and drainage ditches and structures and such surface drain ditches as may be necessary to the proper construction of the highway, by instrument noted in paragraph No. 2 above.

Power line easement granted to Idaho Power Company over NW $\frac{1}{4}$ NE $\frac{1}{4}$ of said Section 32 by instrument recorded October 27, 1966, as Instrument No. 126949 records of said County.

Mortgage dated April 17, 1967, executed by Pacific Supply Cooperative, to Spokane Bank for Cooperatives, a corporation, to secure the payment of \$2,754,600.07 and interest; recorded April 24, 1967, as Instrument No. 130673, records of said County. (Covers this and other property)

ENCUMBRANCES

PACIFIC SUPPLY COOPERATIVE

STATE OF IDAHO (Continued)

10. Blackfoot, Idaho - dry fertilizer flat storage (continued)

Provisions in deed to State of Idaho, recorded April 29, 1954, as Instrument No. 35838, records of said County, substantially as follows: No building or structures, except irrigation or drainage structures, will be permitted to be constructed within 20 feet of the highway, and no billboards or other advertising signs will be permitted closer than 100 feet from said highway, excepting signs pertaining to business established on land adjacent to the highway.

Easement granted adjacent to said highway right of way for relocation of all irrigation and drainage ditches and structures and such surface drain ditches as may be necessary to the proper construction of the highway, by instrument noted in paragraph No. 6 above.

LEASE OF FACILITY

a-1. Date of Lease: April 1, 1977

b-2. Term of Lease: 1 year

c-3. Landlord: Name: PACIFIC SUPPLY COOPERATIVE

State of Incorporation: Oregon

Address: P. O. Box 3588, Portland, Oregon 97208

Tenant: Name: BINGHAM COOPERATIVE, INC.

State of Organization: Idaho

Address: P. O. Box 887, Blackfoot, Idaho 83221

d-4. Rental: Amount \$4,323.07 per month

Date of First Payment: () Will be shown on invoice

Payment Date: ()

e-5. Option to Renew: Number of Terms: Unlimited (See No. f-6)

Length of Terms: 1 year.

Time of Notice: Thirty (30) days before expiration of current term.

f-6. Miscellaneous:

In the event Landlord desires to terminate the lease or any extension, it shall give notice to Tenant not less than thirty (30) days prior to the expiration of the term of the Lease or any extension, in which event, Landlord may refuse to accept any further notice of Tenant's option to renew beyond the current term, and the Lease will terminate at the end of the current term.

Lease Fee Breakdown for Blackfoot Complex:

Office, warehouse dry and liquid fertilizer plant	\$2,628.00
Fertilizer office	63.59
Shop and chemical warehouse	248.78
3000 ton flat plant	1,382.70
	<u>\$4,323.07 per month</u>

EXHIBIT "F"

ENCUMBRANCES

PACIFIC SUPPLY COOPERATIVE

STATE OF UTAH

11. Spanish Forks, Utah - fertilizer plant

Zoning Ordinances of Utah County, Utah.

Situate within the boundaries of the CENTRAL UTAH WATER CONSERVANCY DISTRICT, and is subject to any future charges and assessments thereof.

LEASE

THIS INDENTURE OF LEASE, made in duplicate this
28 day of December, 1966, by and between PACIFIC SUPPLY
COOPERATIVE, an Oregon corporation, with its offices at
Portland, Oregon 97208, mailing address, P. O. Box 3588,
hereinafter known and referred to as the "Lessor", and UTAH
COOPERATIVE ASSOCIATION of 580 West 13th South, Salt Lake
City, Utah, hereinafter known and referred to as the "Lessee",

EXHIBIT "F"
FULL CIRCLE, INC.
ENCUMBRANCES

IDAHO

All owned and leased property with facilities are mortgaged to The Spokane Bank for Cooperatives by Full Circle, Inc.

1. Encumbrances against land at Aberdeen, Idaho. Refer to Exhibit "E" No. 1

EASEMENT TO MOUNTAIN STATES TELEPHONE AND TELEGRAPH COMPANY,
RECORDED JUNE 25, 1963, BOOK 104, NO. 461, RECORDS OF POWER
COUNTY, IDAHO. SAID EASEMENT BEING FOR POWER LINES.

2. Encumbrances against land at Jerome, Idaho:
Refer to Exhibit "E" No. 2A and 3B

6. LEVIES AND ASSESSMENTS OF NORTH SIDE CANAL CO., LTD.

7. RIGHT OF WAY FOR CANALS, LATERALS AND WASTE DITCHES CONSTRUCTED BY TWIN FALLS NORTH SIDE LAND AND WATER CO. WITH RIGHT OF INGRESS AND EGRESS ALONG SUCH CANAL, LATERAL OR WASTE DITCH; AS DESCRIBED IN CONTRACT BETWEEN THE STATE OF IDAHO AND THE TWIN FALLS NORTH SIDE LAND AND WATER CO., DATED AUGUST 21, 1907; RECORDED IN BOOK 15, PAGE 589, JEROME COUNTY RECORDS.

8. RESERVATIONS IN DEED FROM WILLIAM S. KUHN ET UX TO TWIN FALLS NORTH SIDE INVESTMENT CO., LTD., DATED OCTOBER 19, 1908; RECORDED IN BOOK 33, PAGE 615, JEROME COUNTY RECORDS ON NOVEMBER 9, 1908; RESERVING RIGHT TO CONSTRUCT, MAINTAIN AND OPERATE POLES AND WIRES FOR DISTRIBUTION OF ELECTRIC CURRENT FOR POWER AND LIGHT, AND TO MAINTAIN AND OPERATE TRACKS FOR ELECTRIC TROLLEY CARS ON STREETS AND ALLEYS.

9. WAIVER OF PRESENT AND FUTURE ACCESS RIGHTS, EASEMENTS FOR RELOCATION OF IRRIGATION AND DRAINAGE DITCHES, STRUCTURES AND FENCING GRANTED BY DEED DATED DECEMBER 22, 1955 AND FILED JANUARY 26, 1956 UNDER INSTRUMENT NO. 127998, JEROME COUNTY RECORDS, RECORDED IN BOOK 159, PAGE 245 FROM MAE WEBSTER TO THE STATE OF IDAHO.

EXHIBIT "F"
FULL CIRCLE, INC.
ENCUMBRANCES

IDAHO

Encumbrances against land at Twin Falls, Idaho. Refer to Exhibit "E" - No. 6.

8. Right of Way for roadways over and across the West 25 feet of Parcel III and the North and East 25 feet of Parcels I and II.

9. Easement dated November 20, 1930, given by R. E. Joslin and Margie M. Joslin, husband and wife to Idaho Power Company, granting the right to construct, operate and maintain electric transmission distribution and telephone circuits or any of them attached to a single line of poles, on, over and across and within the NE $\frac{1}{4}$ NE $\frac{1}{4}$, except 3 acres in the Northeast corner of Section 15, Township 10 South, Range 16 East of the Boise Meridian, recorded February 28, 1931, under Auditor's File No. 232853, in Book 90 of Deeds, page 188, records of Twin Falls County, Idaho.

10. Power Easement dated February 17, 1966 given by Pacific Supply Cooperative to Idaho Power Company, granting the right to construct, operate and maintain electric transmission distribution and telephone circuits or any of them attached to a single line of poles, on, over and across the above described property in Section 15, Township 10 South, Range 16, EBM, recorded August 15, 1966, under Auditor's File No. 567488, in Book 219 of Mortgages, page 344, records of Twin Falls County, Idaho.

EXHIBIT "F"
FULL CIRCLE, INC.
ENCUMBRANCES
OREGON

All owned and leased property with facilities are mortgaged to The Spokane Bank for Cooperatives by Full Circle, Inc.

1. Recorded roadway Easement, Full Circle, Inc. to Pacific Supply Cooperative, dated 2-27-75, copy attached. Tangent, Oregon. Relates to Exhibit "E" - No. 1
2. Memorandum Agreement Railroad Spur Track, Full Circle, Inc. - Pacific Supply Cooperative, dated 2-27-75. Tangent, Oregon. Copy attached. Relates to Exhibit "E"-No. 1.
3. Easement Deed for the construction and maintenance of a water main at The Dalles, Oregon - copy attached. Relates to Exhibit "E"-No. 3C
4. Bargain and Sale Deed for the following described property in Dufur, Oregon sold by Full Circle, Inc. to the City of Dufur, Oregon: Relates to Exhibit "E"-No. 3A

Beginning 40 feet Northerly of the NW corner of Block 4, Dufur Fifth Addition to the City of Dufur (which is the point of intersection of the Easterly boundary of Court Street extended in Dufur with the Northerly boundary of a 40 foot road as shown on the Dufur Orchard plat); thence following the North boundary of said 40 foot road as shown by the Dufur Orchard plat in an Easterly direction to the Westerly boundary of The Dalles-California Highway No. 197 right-of-way; thence following said right-of-way in a Northerly direction a distance of 21.5 feet; thence Westerly and parallel to the Northerly boundary line of said 40 foot roadway above described, to the Easterly boundary line of Court Street extended; thence South a distance of 20 feet along the Easterly boundary line of Court Street extended to the beginning point, all being situated in Tracts 34 and 35, Dufur Orchards, Wasco County, Oregon.

EXCEPTING that portion which lies within the right-of-way of old U. S. Highway 197.

Attached hereto and by this reference made a part hereof is a map showing in detail this description.

5. Encumbrances to property at Dufur, Oregon: Relates to Exhibit "E" - No. 3A

5. The rights of the Public in and to the portions thereof included within the boundaries of roads and highways.

6. The usual reservations as contained in patent issued by the United States of America.

7. Right of Way Easement, including the terms and provisions thereof, from Walter C. Hanna to North-State Telephone Company, an Oregon corporation, recorded January 17, 1963, being instrument No. 63-286, Deed Records.

8. Denial of access restrictions as contained in deed to the insured, dated February 1, 1963 and recorded February 6, 1963 in the records of Wasco County, Oregon being File No. 63-527.

9. Subject to a sixty (60) foot right of way on the southerly boundary as a mapped city street of Dufur on the part of Walter L. Hanna and his successor's or assigns so long as it is necessary to move farm equipment from either side of the subject conveyed property.

EASEMENT

THIS AGREEMENT, made and entered into this 27th day of July, 1975, FULL CIRCLE, INC., an Oregon cooperative corporation, hereinafter called the "Grantor", in consideration of One and no/100 Dollars (\$1.00), receipt of which is hereby acknowledged, hereby grants, bargains and conveys to PACIFIC SUPPLY COOPERATIVE, an Oregon cooperative corporation, hereinafter called "Grantee", the following: A tract of land situated in the County of Linn and the State of Oregon, to-wit:

Beginning at a point on the West right-of-way line of the Southern Pacific Railroad which bears North 89 degrees 38' West 866.45 feet and North 0 degrees 05' East 708.55 feet from the Southeast corner of the Adams Settlement Donation Land Claim No. 40 in Township 12 South, Range 3 West of the Willamette Meridian in Linn County, Oregon; running thence North 89 degrees 55' West 361 feet, more or less, to the East right-of-way line of the Pacific Highway; thence South 0 degrees 18' East along said right-of-way, 15 feet to a point, thence East 361 feet, more or less, to the West right-of-way line of the Southern Pacific Railroad; thence North 15 feet to the point of beginning.

The aforescribed land is to be used solely and exclusively as a roadway for the benefit of and appurtenant to that land, or any portion thereof, immediately adjoining the aforescribed tract on the North and described as follows:

Beginning at a point on the West right-of-way line of the Southern Pacific Railroad which bears North 89 degrees 38' West 866.45 feet and North 0 degrees 05' East 708.55 feet from the Southeast corner of the Adam Settlement Donation Land Claim No. 40 in Township 12 South, Range 3 West of the Willamette Meridian in Linn County, Oregon; and running thence North 89 degrees 55' West 361 feet, more or less, to the East right-of-way line of the Pacific Highway; thence North 0 degrees 18' East along said right of way, 480.12 feet to the Southwest corner of that certain parcel described in Book 279, page 346, Linn County, Oregon, Deed Records; thence South 81 degrees 59' 15" East (equivalent to old bearing of South 82½ degrees East) along the Southerly line of said parcel,

362.69 feet to the West right-of-way line of said railroad; thence South 0 degrees 05' West along said right of way 429.95 feet to the point of beginning.

The aforescribed grant of land for roadway purposes shall revert to Grantor, its successors or assigns upon Grantee's, its successors or assigns, failure to use said aforescribed land as a roadway.

The Grantor hereby reserves unto itself, its successors and assigns, the right to use said aforescribed roadway so long as said use does not interfere with Grantee's use of said roadway.

The Grantor does hereby give and grant unto the Grantee, its successors and assigns, a license to use the existing asphaltic concrete paved driveway on Grantor's premises to gain ingress and egress to the roadway aforescribed from the South, said license to continue so long as said use by Grantee, its successors and assigns, does not interfere with Grantor's use of its said premises.

IN WITNESS WHEREOF, Grantor has caused this instrument to be executed this 27 day of February, 1975.

FULL CIRCLE, INC., an
Oregon cooperative corporation

By _____
President

By Donald D. Sump
Secretary

STATE OF OREGON)
) ss.
County of Linn)

FEBRUARY 27, 1975

Personally appeared Donald D. Sump
and John R. Gilbertson, who, being duly sworn,
each for himself and not one for the other, did say that the
former is the president and that the latter is the secretary
of FULL CIRCLE, INC., a corporation, and that the seal
affixed to the foregoing instrument is the corporate seal of
said corporation and that said instrument was signed and
sealed in behalf of said corporation by authority of its
Board of Directors; and each of them acknowledged said
instrument to be its voluntary act and deed. Before Me:

Paul A. Strom
Notary Public for Oregon
My Commission Expires:

COMMISSION EXPIRES APRIL 15, 1977

MEMORANDUM AGREEMENT
RAILROAD SPUR TRACK

THIS AGREEMENT, made and entered into this 27th day of February, 1975, by and between FULL CIRCLE, INC., an Oregon cooperative corporation, hereinafter called "First Party", and PACIFIC SUPPLY COOPERATIVE, an Oregon cooperative corporation, hereinafter called "Second Party",

W I T N E S S E T H :

WHEREAS, the parties own adjoining properties abutting U.S. Highway 99 East on the East and Southern Pacific Railroad Right-of-Way on the West, in Linn County, Oregon, and

WHEREAS, First Party owns a railroad spur track on its premises and has a trackage agreement with Southern Pacific Railroad Company relating to said spur track, and

WHEREAS, Second Party owns an extension of said spur track on its property, and

WHEREAS, the parties desire to provide for the mutual use of their said spur tracks, and further assure the continuation of said mutual use,

NOW, THEREFORE, IT IS AGREED BETWEEN THE PARTIES AS FOLLOWS:

1. First Party shall allow Second Party, its successors and assigns, the use of First Party's spur track and any and all of First Party's connection and contract

rights with Southern Pacific Railroad Company.

2. Second Party shall allow First Party use of Second Party's spur track as from time to time needed.

3. In the event that First Party desires to sell or dispose of its spur track and contract rights connected therewith, First Party gives and grants to Second Party, its successors and assigns, the right and option to purchase said spur track and contract rights connected therewith.

4. Neither party hereto shall unreasonably interfere with the other's use of said spur track.

IN WITNESS WHEREOF, the parties have hereunto set their hands and seals the day and year first hereinabove written.

FIRST PARTY:

FULL CIRCLE, INC., an
Oregon cooperative corporation

By _____
President

By _____
Secretary

SECOND PARTY:

PACIFIC SUPPLY COOPERATIVE, an
Oregon cooperative corporation

By _____
President

By _____
Secretary

Page 2 - MEMORANDUM AGREEMENT
RAILROAD SPUR TRACK
Full Circle, Inc. - Pacific Supply Cooperative.

EASEMENT DEED

FULL CIRCLE, INC., an Oregon corporation, herein called Grantor, hereby conveys and warrants to the CITY OF THE DALLES, a municipal corporation of the State of Oregon, ^{Grantee,} an easement free and clear of encumbrances except as specifically set forth herein, for the construction and maintenance of a water main, together with the right of ingress thereto and egress therefrom on and over property of the Grantor adjacent thereto, at any and all times, for the purpose of repairing, maintaining and replacing said water main and appurtenances, on the following described real property in Wasco County, Oregon:

A strip of land fifteen feet (15') wide lying seven and one-half feet (7.5') on either side of the following described centerline for the construction, operation and maintenance of a twelve inch (12") waterline over and across that tract of land in the S.E. 1/4 of the N.E. 1/4 of Section 1, T. 1 N., R. 13 E., W.M., Wasco County, Oregon, as described in Microfilm #72/2254, Deed Records of Wasco County, Oregon, said centerline being more particularly described as follows:

Beginning at a point on the westerly property line of said tract, said point further being North 570.08 feet and East 1700.88 feet from the West 1/4 corner of Section 1, T. 1 N., R. 13 E., W.M.; thence N. 64° 42' 15" E., 63.15 feet, more or less; thence N. 62° 14' 05" E., 523.05 feet to a point of intersection on the easterly property line of said tract, said point further being North 737.49 feet and East 2048.90 feet from the West 1/4 corner of Section 1, T. 1 N., R. 13 E., W.M. and the terminus of this description.

Grantor further grants to Grantee the right to go upon a strip of land 40 feet in width, lying 20 feet on either side of the above described centerline of the easement, for

the purpose of constructing said water main, and Grantee's rights as to the foregoing described 40 foot strip shall terminate at the completion of the construction of the water main.

The consideration for this transfer is nothing.

May 14, 1976.

FULL CIRCLE, INC.

By [Signature]
President

By Betty J. Lounsbury
Asst. Secretary

STATE OF OREGON)
 (MAYNARD)) ss
County of ~~WASCO~~)

May 14, 1976.

Personally appeared the above named Donald D. Sump and Betty J. Lounsbury, who being duly sworn, did say that they are the President and ^{Asst.} Secretary respectively of FULL CIRCLE, INC., and that said instrument was signed in behalf of said corporation by authority of its board of directors; and they acknowledged said instrument to be its voluntary act and deed.

Before me:

[Signature]
Notary Public for Oregon
My Commission expires: _____

COMMISSION EXPIRES APRIL 15, 1977

RELEASE OF EASEMENT FROM MORTGAGE

The Spokane Bank for Cooperatives, holder of a supplemental real estate mortgage executed by Pacific Supply Cooperative and Full Circle, Inc., an Oregon Cooperative Corporation, dated July 26, 1973 and recorded August 9, 1973

EXHIBIT "F"
FULL CIRCLE, INC.
ENCUMBRANCES

WASHINGTON

All owned and leased property with facilities are mortgaged to The Spokane Bank for Cooperatives by Full Circle, Inc.

1. Encumbrances on property at Quincy, Washington set forth on Northwestern Title Insurance Company, Policy No. I-24698: Refers to Exhibit "E" No. 1.

1. Contract relating to purchase of improvements on land used for canal right of way in favor of United States of America, dated February 24, 1950, filed November 20, 1950, as Auditor's File No. 164941, over the following described land:

"...that portion of Tract five (5), Schrock Orchard Tracts in Section eight (8), Township twenty (20) North, Range twenty-four (24) East, Willamette Meridian, lying South of the Northerly right of way line of the West Canal, Columbia Basin Project, Washington; said canal being more particularly described as follows:

"A strip of land measured at right angles on either side of the centerline, being 225 feet on the right and extending to the South line of the SE $\frac{1}{4}$ of said Section 8 on the left of the centerline from survey Station 1595+52.26 to survey Station 1604+48.81; said centerline being described as follows: beginning at survey Station 1595+52.26 which point is the intersection of said centerline and the East line of the SE $\frac{1}{4}$ of said Section 8, and bears North 00°03'24" West 506.97 feet from the Southeast corner of said Section 8; running thence South 67°47'39" West 424.51 feet; thence on a curve to the left with a radius of 477.46 feet for an arc distance of 423.02 feet; running thence South 17°01'54" west for a distance of 49.02 feet to a point on the South line of the SE $\frac{1}{4}$ of said Section 8, which point is designated as survey Station 1604+48.81 and bears North 89°47'12" East 1964.05 feet from the quarter section corner on the South line of said Section 8; said Northerly right-of-way line being parallel to said centerline and distant as aforesaid and lengthened or shortened so as to intersect the East line

of the SE $\frac{1}{4}$ of said Section 8 and the South line of the SE $\frac{1}{4}$ of said Section 8; excepting from said strip of land a right of way for a county road; said road being 60 feet in width; the Southerly right-of-way line of said road being parallel to and distant 81.00 feet Northerly, measured at right angles, from the centerline of the aforesaid West Canal; said road extending to the East line of the SE $\frac{1}{4}$ of said Section 8 and the South line of the SE $\frac{1}{4}$ of said Section 8."

2. Right of Way Easement to Public Utility District No. 2 of Grant County, a corporation, dated November 16, 1956, filed November 29, 1956, as Auditor's File No. 282541, to construct, reconstruct, operate and maintain an electrical distribution line and appurtenances, said easement reciting as follows:

"IT IS UNDERSTOOD AND AGREED that this covers the right of the Grantee for a power line running North and South parallel with the West boundary of said tract Five (5) and two (2) feet East therefrom."

3. Right of Way Easement to Public Utility District No. 2 of Grant County, a corporation, dated December 11, 1956, filed February 21, 1957, as Auditor's File No. 287972, to construct, reconstruct, operate and maintain an electrical distribution line and appurtenances, said easement reciting as follows:

"IT IS UNDERSTOOD AND AGREED that this covers the right of the Grantee for a power line running East and West to be located approximately one hundred ninety-five (195) feet North of and parallel to the South line of said Section Eight (8)."

- .. Contract for the sale and purchase of subject land executed by Pacific Supply Cooperative, an Oregon corporation, to Quincy Valley Cooperative, a Washington corporation, dated September 18, 1957, filed September 19, 1957, as Auditor's File No. 301889. Said instrument was also filed as

EXHIBIT "F"
FULL CIRCLE, INC.
ENCUMBRANCES

WASHINGTON

Defects, liens, encumbrances and other matters stated in Title Insurance Policy for the following:

Tract 14 & 15 - Royal City - Refers to Exhibit "E" No. 4A & B.

As relates to Tract 15: Right of way Easement to Public Utility District No. 2 of Grant County, a corporation, dated October 27, 1966, recorded November 4, 1966, under Auditor's File No. 510294, to construct, maintain, patrol and keep clear an electrical distribution line and appurtenances parallel to and adjacent to the Southwest boundary line of subject property and also for power lines required to serve the facilities on subject property.

As relates to Tract 14: Recital in the dedication of the plat of Royal City Plat No. 3, in part, as follows:

"...dedicate to the use of the public forever all streets and easements or whatever public property there is shown on the plat and the use thereof for any and all public purposes and to the use of P.U.D. # 2 Grant County, its successors and assigns, all streets, alleys, parking and service areas."

As relates to Tract 15: Subject property has now been platted and is properly known as "Sun Basin Plat, Moses Lake, Grant County, Washington," and certain portions thereof have been dedicated to widen the streets along the Northeasterly and the Northwesterly boundary lines. Said Plat contains the following recital in the dedication thereof:

"...dedicate to the use of the public forever, all streets and easements or whatever public property there is shown on the plat and the use thereof for any and all public purposes; also the right to make all necessary slopes for cuts and fills upon the lots shown on this plat in the reasonable original grading of all streets shown hereon."

Tract 9 - Wheeler - Refers to Exhibit "E" No. 2

As relates to Tract 9: Right of Way Easement to Public Utility District No. 2 of Grant County, a corporation, dated May 13, 1950, recorded May 17, 1950, under Auditor File No. 157203, to construct, maintain, patrol and keep clear an electrical distribution line and appurtenances consisting of one pole, two anchors and overhanging wires attached in the location as now staked on subject land.

As relates to Tract 9: This land is included within the East Columbia Basin Irrigation District and is subject to laws of the United States and the State of Washington relative to the Columbia Basin Project, and is liable for further assessments, if any, levied by said District.

As relates to Tract 9: Exceptions and reservations contained in deed from the State of Washington, former owner, whereby the grantor excepts and reserves all oils, gases, coal, ores, minerals, fossils, etc., and the right of entry for opening, developing and working mines, etc., provided that no rights shall be exercised until provision has been made for full payment of all damages sustained by reason of such entry.

As relates to Tract 9: Right of way for ditches, canals, laterals, telephone and transmission lines which may be required by the United States for construction, operation and maintenance of irrigation works, as provided by Chapter 33, Section 5, Laws of 1905.

As relates to Tract 14: Recital in the dedication of the plat of Royal City Plat No. 3, in part, as follows:

EXHIBIT "F"
FULL CIRCLE, INC.
ENCUMBRANCES

WASHINGTON

3. Defects, liens, encumbrances and other matters not insured on Title Insurance at Royal City, Washington: Refers to Exhibit "E" No. 4A
1. Liability for further assessments and charges levied by The Quincy-Columbia Basin Irrigation District.
2. Easements and rights of way as shown on the face of the Recorded Plat of Royal City Plat No. 3, including the parking area South of the lots in said Plat and streets adjacent to said lots.
3. Reservation in deed from J. W. Fales Company, a Washington corporation, to J. C. Freeman, Jr., Albert Widmer and M. R. Schott, dated February 21, 1955 on all of said Section 1; recorded February 21, 1955 under auditor's file No. 239273 in said County, whereby the grantor, its successors or assigns, reserves and excepts all oil, gas and mineral and mineral rights, whether metallic or non-metallic, in and under the said lands described herein, together with the right of ingress and egress for the purpose of exploring, drilling and mining and otherwise removing the same.

NOTE: This land was included within the boundaries of The Quincy-Columbia Basin Irrigation District when the District was formed and became subject to the provisions of The Columbia Basin Project Act passed by the Congress of the United States and approved March 10, 1943 and to the provisions of Chapter 275 of the Laws of 1943, as amended, of the State of Washington.

Pursuant to the above, a contract entitled "Repayment Contract Between the Quincy-Columbia Basin Irrigation District and the United States" was made between the United States and The Quincy-Columbia Basin Irrigation District dated October 9, 1945; recorded under auditor's file No. 112336 in said County.

4. Deed conveying easement for street purposes on the following real property in Royal City, Washington: Refers to Exhibit "E" No. 4A.

TRACT A.

Commencing at the monument located at the intersection of Catalpa and Camelia Streets pursuant to Plat number Three of Royal City, as recorded with the Grant County Auditor; thence North 1°58'32" East a distance of 355.0 feet to the true point of beginning, which point is on the Southerly line of Daisy Street, as extended; thence North 1°58'32" East a distance of 30 feet; thence South 88°01'28" East a distance of 349.0 feet; thence South 1°58'32" West a distance of 30 feet, which point is the Southerly line of Daisy Street, as extended; thence North 88°01'28" West a distance of 349.0 feet, to the true point of beginning.

TRACT B.

Commencing at the monument located at the intersection of Catalpa and Camelia Streets, pursuant to the Plat No. 3 of Royal City, Washington, as recorded with the Grant County Auditor; thence North 1°58'32" East a distance of 355.0 feet; thence South 88°01'28" East a distance of 349.0 feet; thence South 1°58'32" West a distance of 30.0 feet; thence North 88°01'28" West a distance of 349.0 feet to the true point of beginning.

5. Sales Contract for the property described on Exhibit "E" No. 5B. Copy attached.

REAL ESTATE SALE CONTRACT

By _____ Deputy.

THIS AGREEMENT made and entered into this _____ day of _____, 1974, by and between Albina McGroovy, a widow, party of the first part, and Full Circle, Incorporated, an Oregon cooperative corporation, duly authorized to transact business in the State of Washington, party of the second part, WITNESSETH:

1. DESCRIPTION. The party of the first part hereby contracts and agrees to sell and convey to the party of the second part and the party of the second part hereby contracts and agrees to purchase and pay therefor to the party of the first part, the following described real estate situated in Garfield County, State of Washington, to-wit:

of Section 36

That part of the NE $\frac{1}{4}$ SE $\frac{1}{4}$ of Township 12 North, Range 41 East, W. M., Garfield County, Washington, more particularly described as follows: Commencing at the Northwest corner of said NE $\frac{1}{4}$ SE $\frac{1}{4}$; thence S.0 $^{\circ}$ 8'18"W. along the west line of said NE $\frac{1}{4}$ SE $\frac{1}{4}$ a distance of 675.93 feet to a point on the South Right-of-way line of U. S. Highway No. 12, said point being the true place of beginning; thence continue S.0 $^{\circ}$ 8'18"W. a distance of 539.92 feet; thence S.78 $^{\circ}$ 50'E. a distance of 611.5 feet; thence N.71 $^{\circ}$ 27'13"E. a distance of 99.76 feet; thence N.14 $^{\circ}$ 08'E. a distance of 421.75 feet to a pin set in a wire fence evidencing the Southerly bounds of the old highway; thence N.63 $^{\circ}$ 27"E. along said wire fence a distance of 77.25 feet to a point on the South right-of-way line of U. S. Highway No. 12; thence N.75 $^{\circ}$ 52"W. along said right-of-way line a distance of 749.88 feet to the true place of beginning, containing 8.8 acres more or less.

2. CONSIDERATION. The consideration therefor is the sum of \$18,000.00 payable as follows: The sum of \$5,220.00 upon execution hereof, the receipt thereof being hereby acknowledged by party of the first part.

The remaining unpaid balance of principal of said purchase consideration in the amount of \$12,780.00 shall be paid in annual installment payments of \$2,556.00 each, the first such annual installment payment to be made on or before June 1, 1975, but not prior to January 1, 1975, and a like payment shall be made on or before the 1st day of June of each and every year thereafter, but not before the first day of January of any such year, until the whole of said purchase consideration, together with interest as hereinafter specified, shall have been fully paid. Interest shall be paid on deferred balances of said purchase consideration from the date hereof at the rate of seven per cent (7%) per annum, said interest to be paid current on date of principal payments as above specified, and shall be in addition to payments of principal required hereunder.

In the event party of the second part shall enter into an agreement for the sale of any portion of the aforesaid premises to a bona fide purchaser, party of the first part covenants and agrees to release any such portion from the terms of this agreement and to convey the same to party of the second part upon payment therefor to party of the first part of a cash sum of not less than \$2,000.00 per acre for any such portion so released, provided, however, that no such payment shall be made or received during calendar year, 1974.

It is covenanted and agreed that party of the first part shall be entitled to have and to harvest the grain crop produced upon said premises in the 1974 season except said crops currently growing on the west 3 $\frac{1}{2}$ -4 acres of said tract.

Each of the parties hereto shall pay one-half of the attorney's fee involved in the closing of the within transaction.

3. POSSESSION: The party of the second part shall be let into possession of said premises on the date hereof and shall be entitled to remain in such possession so long as he shall fully and completely comply with all of the terms of this agreement and shall make all payments required hereby promptly and before default, time being of the essence of this agreement.

4. TAXES: The party of the second part shall pay or cause to be paid all taxes and assessments hereafter levied upon or to become due against said premises or any part thereof, all of which taxes and assessments shall be paid before delinquency and receipts showing such payments shall be deposited with this agreement. The real estate taxes for 1974 shall be prorated between the parties hereto as of June 1, 1974.

Party of the first part shall pay the Washington State real estate transaction tax within thirty days after the execution hereof and shall deposit evidence of such payment herewith.

5. MAINTENANCE: The party of the second part shall at all times keep said premises in a good state of repair and shall not cause or permit any waste, strip or damage thereon and shall not cause or permit any lien of any kind or character to be placed upon or to remain against said premises or any part thereof or against any service to the same.

6. ESCROW: This agreement shall be deposited with McCabe & Keatts, attorneys at law, of Pomeroy, Washington, as escrow agent for the parties hereto and all payments to be made hereunder shall be made to said escrow agent for the use and benefit of the party of the first part. There shall also be deposited with this agreement a deed of general warranty conveying good and merchantable title in said lands to the party of the second part, free and clear of incumbrances and liens as of the date hereof, except easements, restrictions, and reservations of record, liens or encumbrances which by the terms of this contract party of the second part is to assume and pay, or to which the conveyance hereunder is to be made subject, none of which shall be deemed defects in the title of party of the first part. Within a reasonable time hereafter there shall also be deposited herewith a policy of title insurance in the amount of said consideration, insuring such merchantable title. All escrow fees then due shall be paid one-half by each of the parties hereto, as the same may become due and payable.

7. DELIVERY ON COMPLETION: Upon full payment of the consideration herein specified, principal and interest, said escrow agent shall, at the expense of the party of the first part, attach to said deed and cancel thereon any necessary documentary stamps, and shall thereupon deliver said deed, together with all other documents deposited herewith, to the party of the second part.

8. DEFAULT: In event of default on the part of the party of the second part in making any payments required hereunder or of failure to fulfill any of the obligations herein imposed upon or assumed by said party of the second part, the party of the first part may give notice thereof in writing to party of the second part by either registered or certified mail deposited in the U. S. Post Office at Pomeroy, Washington, addressed to the last known post office address of said party of the second part, and in event such default or failure shall not be remedied within thirty days after the giving of such notice, said party of the first part may cancel and terminate this agreement and on demand receive from said escrow agent all papers

deposited herewith and thereupon all of the rights and interest of the party of the second part in and to said lands and under this agreement shall be wholly cancelled and terminated and he shall immediately surrender possession of said premises and any payments theretofore made shall be retained by the party of the first part as liquidated damages and as rent for the use of said premises.

9. SAVE HARMLESS: The parties hereto and each and all of them hereby contract and agree to indemnify and save harmless the said escrow agent from any and all loss, costs, expense or damage by reason of any act or omission on the part of said escrow agent reasonably authorized by the terms of this agreement.

10. ATTORNEY FEE: In event of any suit or action in court with reference to this agreement or the rights of the respective parties thereto or to said property, the prevailing party shall be entitled, in addition to costs, to recover a reasonable attorney's fee in such suit or action, and the venue of such suit or action shall be Garfield County, Washington.

11. ASSIGNMENT: The party of the second part shall not assign this agreement or any right or interest therein or in or to said real estate without the written consent of the party of the first part first being obtained. Such consent shall not be unreasonably withheld.

12. INSPECTION: The party of the second part agrees that full inspection of said described premises has been made and that neither the party of the first part nor assigns shall be held to any covenant respecting the condition of any improvements on said premises nor to any agreement for alterations, improvements or repairs, unless the covenant or agreement relied on be in writing and attached to and made a part of this contract.

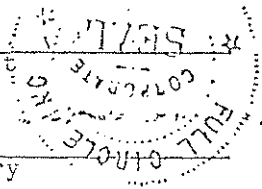
IN WITNESS WHEREOF the parties hereto have set their hands and seals the date and year first above written.

[Signature]
Party of the First Part

FULL CIRCLE, INCORPORATED

By _____
President

Secretary



STATE OF WASHINGTON, }
COUNTY OF GARFIELD } ss.

THIS CERTIFIES, That on this 14th day of June
A. D. 19 74, before me, the undersigned, a notary public, in and for the State of Washington, personally ap-
peared the within named:

ALBINA McCREWY

who known to me to be the individual person described in, and who executed the within instrument,
and acknowledged to me that she signed, sealed and executed the same freely and voluntarily for the
uses and purposes therein mentioned.

IN TESTIMONY WHEREOF, I have hereunto set my hand and seal the day and year last above written.

Wm. C. Keates

Notary Public, in and for the State of Washington,
residing at Pomeroy, Washington.

LEASED REAL ESTATE

PACIFIC SUPPLY COOPERATIVE

STATE OF OREGON

1. Ontario, Oregon - liquid fertilizer plant on railroad property

UPLRC File No. 41-1570-045-00.4PA

Lessor: Union Pacific Land Resources Corporation
Director-Land & Industrial Development
Upland Industries Corporation
614 Pittock Block
Portland, Oregon 97205

Lessee: Pacific Supply Cooperative
P. O. Box 3588
Portland, Oregon 97208

Sublessee: Farmers Supply Cooperative
514 S. W. Fourth Avenue
Ontario, Oregon 97914

2. Whiteson, Oregon - dry fertilizer plant (see No. 4 on Exhibit "E")

Track agreements covering spur with under track unloader

Document Audit No. T-26554

Between Southern Pacific Transportation Company
Union Station
Room 335
Portland, Oregon 97209

And Pacific Supply Cooperative
P. O. Box 3588
Portland, Oregon 97208

3. Hermiston, Oregon - Ground Lease

Lessor: Pendleton Grain Growers, Inc.
P. O. Box 1248
Pendleton, Oregon 97801

Lessee: Pacific Supply Cooperative
P. O. Box 3588
Portland, Oregon 97208

Pacific Supply constructed a vertical fertilizer plant, liquid fertilizer plant, flat fertilizer plant, shop and office, and Pacific leases the facilities back to Pendleton Grain Growers, Inc.

4. Harrisburg, Oregon - Land Lease

There are dry and liquid fertilizer plants on this property

Lessor: Lee F. and Rosemary E. Philpott
401 Route 2
Eugene, Oregon 97401

Lessee: Pacific Supply Cooperative
P. O. Box 3588
Portland, Oregon 97208

LEASED REAL ESTATE

PACIFIC SUPPLY COOPERATIVE

STATE OF OREGON (Continued)

4. Harrisburg, Oregon.- (continued)

Industrial Track Agreement; Supplemental Agreement covering an unloading screw-type conveyor beneath track; Average Agreement; and Second Supplemental Agreement covering an unloading pit with a belt conveyor beneath track

Document Audit No. T-25275

Between Southern Pacific Transportation Company
Union Station
Room 335
Portland, Oregon 97209

And Pacific Supply Cooperative
P. O. Box 3588
Portland, Oregon 97208

STATE OF WASHINGTON

5. Vancouver, Washington - petroleum terminal (See Exhibit "E" No. 6)

Lease covering an easement and pipe line right-of-way

Lessor: Port of Vancouver
P. O. Box 1180
Vancouver, Washington 98660

Lessee: Pacific Supply Cooperative
P. O. Box 3588
Portland, Oregon 97208

Lease covering an open tanker-type dock for the mooring of ships, barges and other water craft while same are being loaded or unloaded

Lessor: Port of Vancouver
P. O. Box 1180
Vancouver, Washington 98660

Lessee: Pacific Supply Cooperative
P. O. Box 3588
Portland, Oregon 97208

Agreement for Railroad Easement

Grantor: Pacific Supply Cooperative
P. O. Box 3588
Portland, Oregon 97208

Grantee: Frito-Lay, Inc.
Frito-Lay Tower
Exchange Park
Dallas, Texas 75235

Certificate of Ground Water Right
Certificate Record No. 8, Page No. 3880-A

Issued by the State of Washington and filed at Clark County, Vancouver, Washington

EXHIBIT "G"

LEASED REAL ESTATE

PACIFIC SUPPLY COOPERATIVE

STATE OF IDAHO

6. Post Falls, Idaho - dry fertilizer flat storage (See Exhibit "E" No. 7)

Agreement between Spokane International Railroad Company and Pacific Supply Cooperative covering construction, maintenance and operation of an industry spur track; a Supplemental Agreement between the same parties to revise cost to Pacific and substitute a print to reflect actual construction

File No. PLD 120-18-16

Direct correspondence to: Mr. T. P. Rogers
General Manager, NWD
Union Pacific Railroad Company
Department of Operation
726 Pittock Block
P. O. Box 4265
Portland, Oregon 97208

7. Menan, Idaho - dry fertilizer (See Exhibit "E" No. 9)

Road Crossing Agreement

L. D. No. 19629, Audit No. 106584, CD No. 48608-1

Addendum to Agreement L. D. No. 19629

Between Oregon Short Line Railroad Company,
Union Pacific Railroad Company
Department of Operation
726 Pittock Block
P. O. Box 4265
Portland, Oregon 97208

And Pacific Supply Cooperative
P. O. Box 3588
Portland, Oregon 97208

Industry Track Contract

L. D. No. 19758, C. D. No. 48608, Addendums 48608-A and 48608-B

Between Oregon Short Line Railroad Company,
Union Pacific Railroad Company
See above address

And Pacific Supply Cooperative
See above address

8. Blackfoot, Idaho - dry fertilizer flat storage (See Exhibit "E" No. 10)

Industry Track Contract

L. D. No. 22977, C. D. No. 49938-4

Between Union Pacific Railroad Company
See above address

And Pacific Supply Cooperative
P. O. Box 3588
Portland, Oregon 97208

Certificate for 40 shares of Capital Stock in Danskin Ditch Company
which gives Pacific Supply water rights on property at Blackfoot, Idaho

EXHIBIT "C"

LEASED REAL ESTATE

PACIFIC SUPPLY COOPERATIVE

STATE OF IDAHO (Continued)

9. Nampa, Idaho - land lease

Lessor: Producers Supply Cooperative, Inc.
Drawer J
Nampa, Idaho 83651

Lessee: Pacific Supply Cooperative
P. O. Box 3588
Portland, Oregon 97208

Pacific constructed a dry fertilizer plant on this land and leases it back to Producers Supply Cooperative, Inc.

10. Pocatello, Idaho - warehouse

Lease covering warehouse and storage site - Lease L&T No. 14868

Lessor: Upland Industries
714 Pittock Block
921 S. W. Washington
Portland, Oregon 97205

Lessee: Pacific Supply Cooperative
P. O. Box 3588
Portland, Oregon 97208

Pipe Line Agreement

Between Department of Public Works of the
State of Idaho
Office of the Commissioner of Public Works
Bannock County
Pocatello, Idaho

And Pacific Supply Cooperative
P. O. Box 3588
Portland, Oregon 97208

EXHIBIT "G"
FULL CIRCLE, INC.
LEASED REAL ESTATE

WASHINGTON

1. Indefinite Term Lease No. 212,710, Quincy, Washington - copy and Exhibit A attached. Refers to Exhibit "E" No. 1.
2. Lease No. 69017, 6-1-48, for Grain Whse. at Wheeler, Washington - copy attached. Refers to Exhibit "E" No. 2.
3. Lease NP 60701, 7-20-42, for Grain elevator site, at Wheeler, Washington - copy attached. Refers to Exhibit "E" No. 2.
4. Lease NP 73371, 7-11-51, for Warehouse at Wheeler, Washington - copy attached. Refers to Exhibit "E" No. 2.
5. Industrial Tract Agreement with Burlington Northern Inc. at Basin City, Washington, copy attached. Refers to Exhibit "E" No. 3.
6. Assignment of Agreement between Burlington Northern Inc. and Full Circle, Inc. at Basin City, Washington for industrial track, copy attached. Refers to Exhibit "E" No. 3.
7. Assignment of Right-of-Way for transmission line and communication site on the following national resource land: (Royal City, Washington) Refers to Exhibit "E" No. 4. Copy attached.
8. Lease No. NP 98013, 1-1-67, for Unloading Hopper at Bruce, Washington, copy attached.
9. Indefinite Term Lease No. 216,282, Bruce, Washington, copy attached.
10. Lease No. 79146, Warden, Washington, copy and drawing attached. (Bruce Branch Operation).

EXHIBIT "G"
FULL CIRCLE, INC.
LEASED REAL ESTATE

IDAHO

1. Lease L&T No. 18645, Full Circle, Inc. Lease of 526 feet of trackage and realty for warehouse, unloading anhydrous ammonia, and aqua ammonia converter sites at Heyburn, Minidoka County, Idaho - copy attached. Refers to Heyburn-Burley location Exhibit "E" No. 5.
2. Application for Permit - Heyburn, Idaho - To appropriate the public waters of The State of Idaho, Application No. 34921, Permit 27007 - copy attached. Refers to Heyburn-Burley location, Exhibit "E" No. 5.
3. State of Idaho Easement No. 2285- copy attached. Heyburn-Burley location, Exhibit "E" No. 5.
4. Lease L&T 17329 Assignment for Fertilizer distribution facilities site at Milner, Idaho - copy attached. Burley-Milner location, Exhibit "E" No. 5.
5. Lease L&T 17329, Audit No. A-93800 for property described on attached copy at Milner, Idaho. Burley-Milner location, Exhibit "E" No. 5.
6. Extension Rider C.D. No. 50783-A for Undertrack Auger Pit at Aberdeen, Idaho - copy attached. Aberdeen-American Falls location - Exhibit "E" No. 1.
7. Lease Agreement for American Falls, Idaho property - copy attached. Aberdeen-American Falls location - Exhibit "E" No. 2.
8. Easement for Construction, Maintenance, and Joint Use of Driveway at Jerome, Idaho. Copy attached. Refers to Exhibit "E" No. 3.
9. Agreement between Oregon Short Line Railroad Company, Union Pacific Railroad Company and Pacific Supply Cooperative covering Industry Trackage at Jerome, Idaho, assigned to Full Circle, Inc. - copy attached. Refers to Exhibit "E" No. 3.
10. Electric Service Agreement, Acct. No. 1958 9135-1, at Jerome, Idaho - copy attached. Refers to Exhibit "E" No. 3.
11. Right-of-Way Grant at Jerome, Idaho - copy attached. Refers to Exhibit "E" No. 3.
12. State of Idaho Water License No. 47-7004 - Twin Falls, Idaho - copy attached. Refers to Exhibit "E" No. 6.
13. Agreement between Oregon Short Line Railroad Company, Union Pacific Railroad Company and Pacific Supply Cooperative covering Industry Trackage at Curry, Idaho, assigned to Full Circle, Inc. - copy attached. Refers to Exhibit "E" No. 6.

EXHIBIT "G"
FULL CIRCLE, INC.
LEASED REAL ESTATE

OREGON

1. Agreement for Use of Industry Track by Third Party at Tangent, Oregon - C-685.78
N
Attached with Drawing A4403 - Refer to Exhibit "E" - No. 1A
2. Supplemental Agreement dated 2-25-70 at Tangent, Oregon for Unloading Pit.
Attached - Refer to Exhibit "E" - No. 1A
3. Subtenancy Agreement dated 8-25-72 at Tangent(Brownsville), Oregon
Attached with print L-1768-A - Refer to Exhibit "E" - No. 1A
4. Spur Track Agreement, Hillsboro, Oregon,
Attached with Exhibit A. Refer to Exhibit "E" - No. 2.
5. Industrial Track Agreement, Hillsboro, Oregon, Copy attached, Refer to Exhibit "E"-No. 2.
6. Permit for Loading Dock at Hillsboro, Oregon, Copy attached along with drawing.
Refer to Exhibit "E" - No. 2.
7. Permit for Pit Conveyor at Hillsboro, Oregon. Copy attached along with drawing,
Refer to Exhibit "E" - No. 2.
8. Agreement for Use of Industry Track by Third Party at Hillsboro, Oregon - C-685.78
N
Attached with drawing. Refer to Exhibit "E" - No. 2.
9. Industry Track Contract No. 42931, The Dalles, Oregon - Copy attached.
Refer to Exhibit "E" - No. 3C
0. Supplemental Agreement - Refer to Dept. No. 28313-4, Madras, Oregon - Copy attached.
Refer to Exhibit "E" - No. 4.
1. License for Pit - Dept. No. 31613 - Madras, Oregon - Copy attached.
Refer to Exhibit "E" - No. 4.
2. Assignment covering under-track unloading pit - Dept. No. 28555-1 - Madras, Oregon
Copy attached. Refer to Exhibit "E" - No. 4.
3. Extension Rider covering natural gas pipeline - Dept. No. 27383-C - Madras, Oregon
Copy attached. Refer to Exhibit "E" - No. 4.
4. Agreement for Use of Industry Track by Third Party at Harrisburg, Oregon - C-664.52
C
Copy attached - Refer to Exhibit "E" No. 1.

EXHIBIT "G"
FULL CIRCLE, INC.
LEASED REAL ESTATE

NEVADA

1. Lease Assignment 159229 between Joe deArrietta and Full Circle, Inc. at Winnemucca, Nevada - Copy attached.

EXHIBIT "H"

DEFECTS AND ENCUMBRANCES -
OWNED PERSONAL PROPERTY

None

EXHIBIT "H"

EXHIBIT "I"

DEFECTS AND ENCUMBRANCES -
LEASED PERSONAL PROPERTY

None

EXHIBIT "I"

EXHIBIT "J"

PENDING LITIGATION, CLAIMS OR ACTIONS, PRO-
CEEDINGS OR INVESTIGATIONS

NONE

EXHIBIT "K "

EMPLOYMENT AGREEMENTS

NONE

EXHIBIT "K"

EXHIBIT "L"

DEFAULTS IN OTHER AGREEMENTS

None

EXHIBIT "L"

PACIFIC SUPPLY COOPERATIVE



November 29, 1977

Mr. J. G. Tvedt
President
CENEX
P. O. Box 43089
St. Paul, Minnesota 55164

Re: CENEX - Pacific Supply Cooperative
Purchase and Sale Agreement -
Carl H. Haas Agreement

Dear Mr. Tvedt:

This letter is to serve as correcting Exhibit "B" of the Purchase and Sale Agreement of September 26, 1977, between CENEX and Pacific.

Exhibit "B" of that agreement identified as an exclusion a letter agreement between Carl H. Haas and PPSI, Pacific Supply Cooperative, and Farmers Import Co., dated September 2, 1975. That is incorrect, as the proper letter agreement between those parties was and is dated September 17, 1975, with an amendment dated January 8, 1976, copies of which have been recently supplied to you by David Redmond, President of PPSI, Inc.

This letter will therefore amend Exhibit "B" to exclude the September 2, 1975, letter agreement and to insert therefor the September 17, 1975, agreement, as amended by letter dated January 8, 1976.

Yours truly,

PACIFIC SUPPLY COOPERATIVE


WALTER STEELE, President

cc Dale Johnson
/cc Charles Habergarten

EXHIBIT "B"

EXCLUDED ASSETS OR LIABILITIES

1. Certificates of Indebtedness, 7½%, due 1978 to 1984, or any other securities which would be required to be registered.
2. That certain employment letter agreement dated September 2, 1975, and as amended January 8, 1976, between Carl H. Haas and PACIFIC-NORTHWEST PURCHASING AND SALES INTERNATIONAL, INC. (PPSI) regarding services to be performed by Mr. Haas for PPSI.
3. Agreement between PACIFIC SUPPLY COOPERATIVE and PACIFIC SUPPLY TRANSPORT DRIVERS dated July 9, 1976.
4. Any balance sheet provisions for current income taxes and deferred income taxes, including any provisions for investment tax credits, investment tax credit carryovers and any investment tax credit recaptures.
5. Settlement Agreements between PAYETTE VALLEY COOPERATIVE and PACIFIC SUPPLY COOPERATIVE; NYSSA CO-OP SUPPLY and PACIFIC SUPPLY COOPERATIVE; GEM SUPPLY COOPERATIVE and PACIFIC SUPPLY COOPERATIVE; VALE CONSUMERS COOPERATIVE and PACIFIC SUPPLY COOPERATIVE, all of which were executed by the respective parties in June of 1973; and any and all obligations of Pacific Supply Cooperative to Buhl Cooperative Supply, Inc.
6. Sale of Assets Agreements between COOPERATIVE SUPPLY ASSOCIATION, INC. and PACIFIC SUPPLY COOPERATIVE, dated March 29, 1972; FARMERS' COOPERATIVE OIL ASSOCIATION, INC. and PACIFIC SUPPLY COOPERATIVE, dated March 27, 1974; and PACIFIC FARMERS, INC. and PACIFIC SUPPLY COOPERATIVE, dated April 7, 1973.
7. Real Estate Lease Agreements and attached Schedules between PACIFIC SUPPLY COOPERATIVE and PENDLETON GRAIN GROWERS (Pendleton, Oregon), dated July 1, 1975; PACIFIC SUPPLY COOPERATIVE and FARMERS SUPPLY COOPERATIVE (Ontario, Oregon), dated January 1, 1976; PACIFIC SUPPLY COOPERATIVE and BINGHAM CO-OPERATIVE, INC., (Blackfoot, Idaho), dated April 1, 1977; PACIFIC SUPPLY COOPERATIVE and WALLA WALLA FARMERS CO-OP (Walla Walla, Washington), dated July 1, 1975; PACIFIC SUPPLY COOPERATIVE and PRODUCERS SUPPLY COOPERATIVE (Nampa, Idaho), dated November 1, 1975; and PACIFIC SUPPLY COOPERATIVE and NEZPERCE ROCHDALE COMPANY (Nezperce, Idaho), dated February 1, 1976.

Exhibit "Y"

KNOW ALL MEN BY THESE PRESENTS, that The Port of Portland, a municipal corporation of the State of Oregon, grantor, in consideration of the sum of Ten Dollars (\$10.00) and other good and valuable consideration to it paid by Washington Co-Operative Farmers Association, grantee, does hereby grant, bargain, sell and convey unto said Washington Co-Operative Farmers Association, its successors and assigns, all the following real property, with the tenements, hereditaments and appurtenances, situated in Section 17, Township 1 North, Range 1 East of the Willamette Meridian, in the City of Portland, County of Multnomah and State of Oregon, bounded and described as follows, to-wit:



Beginning at a point in the harbor line on the North-easterly side of the Willamette River, said point being South 89° 44' 30" West 1049.18 feet from the Southeast corner of the aforesaid Section 17, and being also North 52° 15' West 613.53 feet from an angle point in the said harbor line as established by the Federal Government, thence North 52° 15' West along the said harbor line 1359.49 feet to the TRUE point of beginning; thence continuing along the said harbor line North 52° 15' West 610.62 feet; thence North 37° 45' East, 975.00 feet; thence South 52° 15' East, 115.00 feet; thence along the arc of a curve to the right having a radius of 135.00 feet, 212.06 feet; thence South 37° 45' West, 25.00 feet; thence along the arc of a curve to the left having a radius of 215.00 feet, 337.72 feet; thence South 52° 15' East, 145.65 feet; thence South 37° 45' West 600.00 feet to the TRUE point of beginning; subject to the right, title and interest of the State of Oregon in and to that portion thereof lying below ordinary low water mark of the Willamette River.



TO HAVE AND TO HOLD the above described and granted premises unto the said Washington Co-Operative Farmers Association, its successors and assigns forever; subject, however, to the following covenants and restrictions which shall apply to and run with the said land:

1. The plants erected on the within described real property and the uses to which said property is put shall comply with the laws, statutes, regulations, ordinances and rulings of the State of Oregon and the City of Portland governing agencies having jurisdiction over the said property and its use.

2. No noxious or offensive trade, business or activity shall be conducted on said real property, nor shall anything be done thereon which may be or become a nuisance to the Swan Island-Mocks Bottom Industrial Park, whether by reason of unsightliness or the emission of odors, dust, fumes, smoke, noise, light, vibrations, or other causes.

Nothing in the foregoing paragraph is intended to prevent Washington Co-Operative Farmers Association from erecting and operating a feed mill plant, egg candling plant, or a poultry processing plant. However, with regard to the poultry processing plant, it is understood that the unprocessed offal or residue from such operations shall be removed daily from the plant; the receiving of live poultry shall be in the rear of the plant; the receiving platform for live poultry shall be covered with a roof and screened so as not to be visible from the street; and the plant operations in general shall be maintained in a sanitary manner and controlled against emanating obnoxious odors as may be required by the State of Oregon and/or the City of Portland gov authorities.

TITLE AND TRUST COMPANY



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3. The said real property shall not be used for any race tracks of any kind; automobile wrecking; processing of fats and oil; soap factory; glue plant, tallow chandlery or tannery for the tanning, dressing, preparing or keeping of hides, skins, or leather; central mixing plant for asphalt, mortar, lime, plaster or concrete; storage, processing, handling, cleaning, sorting, baling, sale or disposal of salvage, or used parts or materials of any kind, including waste paper, rags, bottles, junk, scrap metals and automobile parts; amusement park; or any oil, starch, varnish, vitriol, turpentine or lamp black factory.

4. Any and all buildings, structures or improvements or any part or projection thereof (hereinafter collectively called "buildings") at any time constructed or maintained and extended above the ground surface, shall conform with the following:

(a) No such building shall be constructed or maintained within 50 feet of the property line adjacent to any public or Port-owned highway, road, avenue, street, or alley (hereinafter collectively called "street").

(b) Except where the foregoing requires a greater distance to be maintained, no building shall be constructed or maintained within 10 feet of any property line, it being the intention that an open area of at least 20 feet shall be maintained between all adjacent but separately owned buildings. A minimum clearance of 9 feet shall be maintained from the centerline of any railroad track on the premises to the property line.

(c) All areas between building lines and property lines shall be used either for landscaping or for off-street, surfaced, vehicle parking areas, or roadways; providing, however, that no landscaping or surfacing shall be required on portions of the property hereby conveyed that are held by the vendee for future expansion and/or development.

(d) Access areas shall be so arranged that vehicles will have access to and from buildings or loading dock areas without maneuvering in or occupying street areas.

(e) Fences or barriers of woven wire mounted on concrete or metal posts, or of other non-inflammable material, presenting a neat appearance, are permitted along or at any place within property boundary lines.

(f) Nothing herein shall prevent appropriate plantings of trees and shrubbery within property boundary lines.

(g) Outside storage shall be screened so as not to be visible from street and to maintain a neat general appearance in the Industrial Park.

5. All buildings within said real property shall be of permanent type construction with fire-resistant roof, and shall be maintained in good condition and repair.

6. No waste material or refuse shall be dumped upon or permitted to remain upon any part of said real property outside of buildings constructed thereon.

7. No billboards or advertising signs other than those identifying the name, business and products of the persons or firm occupying the premises shall be permitted.

TITLE AND TRUST COMPANY

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8. Grantee, its successors and assigns shall provide off-street automobile parking facilities at the minimum rate of two parking spaces for each three employees working on the said real property. No parking shall be allowed on any street.

9. Any individual power plant erected on the said real property shall be of a type the operation of which is not in conflict with established pollution laws and regulations and which does not produce any abnormal smoke, odor, fumes, radiation or excessive noise.

10. Nothing herein shall prevent construction, maintenance, and operation within the Industrial Park area of railroad tracks and their necessary appurtenances; roads, streets and highways; sewers; water, steam, gas or drain pipes; communication or electric wires; or other utilities, excepting, however, such construction, maintenance and operation shall be controlled by the several covenants and restrictions contained in this deed insofar as applicable.

11. The grantor has established these covenants and restrictions in order to insure proper use and appropriate development and improvement in an orderly and harmonious manner, and to provide a general plan or scheme of development for the Swan Island-Mocks Bottom Industrial Park, which term is understood to mean all that real property now owned or controlled by The Port of Portland, situated in what is commonly known as Swan Island and Mocks-Bottom in Sections 16, 17, 18, 20 and 21, Township 1 North, Range 1 East of the Willamette Meridian in the County of Multnomah, State of Oregon. The grantor does not represent that these covenants and restrictions will be applied as to any other properties in the Industrial Park.

12. These covenants and restrictions shall remain in force in perpetuity and may be enforced by the grantor, its successors or assigns, either by action at law or suit in equity. The grantor reserves the right to waive any of these covenants and restrictions. The grantor shall not be responsible or liable to the grantee or any third parties for enforcement of or for failure to enforce these covenants and restrictions. Invalidity of any one of these covenants and restrictions, or any part thereof, by judgment or decree of any court shall in no way affect any of the other provisions, which shall remain in full force and effect.

13. The grantee covenants and agrees to include all the covenants and restrictions contained in this deed in any sale, lease, or other arrangement which changes ownership, control or use of all or part of the said real property subsequent to its purchase by the grantee herein, including the requirement that any subsequent owners, controllers or users so restrict their successors in interest.

14. It is distinctly covenanted and agreed between the parties hereto that all of the covenants, restrictions and agreements above expressed shall be held to run with and bind the land hereby conveyed, and all subsequent owners and occupants thereof.

The Port of Portland, the grantor above named, does covenant to and with the above named grantee, its successors and assigns, that it is lawfully seized in fee simple of the above granted premises, that the above granted premises are free from all encumbrances, and that The Port of Portland will and its successors and assigns shall warrant and forever defend the above granted premises and every part and parcel thereof against the lawful claims and demands of all persons whomsoever.

RECORDED AND INDEXED

19127

MAY 11 1959

IN WITNESS WHEREOF, The Port of Portland, pursuant to a resolution of its Board of Commissioners, duly and legally adopted, has caused these presents to be signed by its President and Assistant Secretary, and its corporate seal to be affixed this 24th day of April, 1959.

THE PORT OF PORTLAND

By

Dennis J. Lindsay
President

By

John J. Winn, Jr.
Assistant Secretary

STATE OF OREGON

County of Multnomah

ss

On this 24th day of April, 1959, before me appeared DENNIS J. LINDSAY and JOHN J. WINN, JR., both to me personally known, who being duly sworn, did say that he, the said Dennis J. Lindsay, is the President, and he, the said John J. Winn, Jr. is the Assistant Secretary of the within named The Port of Portland, a municipal corporation, and that the seal to the within instrument is the corporate seal of said municipal corporation, and that the said instrument was signed and sealed in behalf of said municipal corporation by authority of its Board of Commissioners and the said Dennis J. Lindsay and John J. Winn, Jr. acknowledged said instrument to be the free act and deed of said municipal corporation.

IN TESTIMONY WHEREOF, I have hereunto set my hand and affixed my official seal, this the day and year first in this, my certificate, written.

H. C. McDowell
Notary Public for Oregon
My commission expires: Sept. 9, 1960

Approved as to form:

Lynton L. Putnam
Of Attorneys for The Port of Portland

TITLE AND TRUST COMPANY

SEAL DOCUMENT 19127 RECORDED MAY 11 1959 313P M SI COHN, County Clerk

19127

MAY 11 1959

Exhibit "Z"

KNOW ALL MEN BY THESE PRESENTS, that The Port of Portland, a municipal corporation of the State of Oregon, grantor, in consideration of the sum of Ten Dollars (\$10.00) and other good and valuable consideration to it paid by Western Farmers Association, grantee, does hereby grant, bargain, sell and convey unto said Western Farmers Association, its successors and assigns, all the following real property, with the tenements, hereditaments and appurtenances, situated in Section 17, Township 1 North, Range 1 East of the Willamette Meridian, in the City of Portland, County of Multnomah and State of Oregon, bounded and described as follows to wit:

Beginning at a point in the Northeast property line of the Western Farmers Association, said point being 1339.93 feet North and 1806.53 feet West of the Southeast corner of the said Section 17; thence North 52° 15' West 82.59 Feet; thence Northerly along the arc of a 215' radius curve to the right to which the last described course is tangent, through a central angle of 90° 00' for a distance of 337.72 feet; thence North 37° 45' 00" East 25 feet; thence along the arc of a 135 foot radius curve to the left, to which the last described course is tangent through a central angle of 45° 00' 00" for a distance of 106.03 feet to a point in the west line of North Basin Avenue; thence Southerly along said West line South 7° 15' 00" East 385.36 feet; thence along the arc of a 215 foot radius curve to the left, to which the last described course is tangent thru a central angle of 21° 01' 12" for a distance of 78.87 feet; thence South 37° 45' 00" West 18.55 feet to the true point of beginning.

TO HAVE AND TO HOLD the above described and granted premises unto the said Western Farmers Association, its successors and assigns forever; subject, however, to the following covenants and restrictions which shall apply to and run with the said land:

1. The buildings erected on the within described real property and the uses to which said property is put shall comply with the laws, statutes, regulations, ordinances and rulings of the State of Oregon and the City of Portland governing agencies having jurisdiction over the said property and its use.

2. No noxious or offensive trade, business or activity shall be conducted on said real property, nor shall anything be done thereon which may be or become a nuisance to the Swan Island-Mocks Bottom Industrial Park, whether by reason of unsightliness or the emission of odors, dust, fumes, smoke, noise, light, vibrations, or other causes.

Nothing in the foregoing paragraph is intended to prevent Western Farmers Association from erecting and operating a feed mill plant, egg candling plant, or a poultry processing plant. However, with regard to the poultry processing plant, it is understood that the unprocessed offal or residue from such operations shall be removed daily from the plant; the receiving of live poultry shall be in the rear of the plant; the receiving platform for live poultry shall be covered with a roof and screened so as not to be visible from the street; and the plant operations in general shall be maintained in a sanitary manner and controlled against emanating obnoxious

odors as may be required by the State of Oregon and/or the City of Portland governing authorities.

3. The said real property shall not be used for any race tracks of any kind, automobile wrecking; processing of fats and oil; soap factory; glue plant, tallow chandlery or tannery for the tanning, dressing, preparing or keeping of hides, skins, or leather; central mixing plant for asphalt, mortar, lime, plaster or concrete; storage, processing, handling, cleaning, sorting, baling, sale or disposal of salvage, or used parts or materials of any kind, in cluding waste paper, rags, bottles, junk, scrap metals and automobile parts; amusement park; or any oil, starch, varnish, vitriol, turpentine or lamp black factory.

4. Any and all buildings, structures, or improvements or any part or projection thereof (hereinafter collectively called "buildings") at any time constructed or maintained and extended above the ground surface, shall conform with the following:

(a) No such building shall be constructed or maintained within 50 feet of the property line adjacent to any public or Port-owned highway, road, avenue, street, or alley (hereinafter collectively called "street").

(b) Except where the foregoing requires a greater distance to be maintained, no building shall be constructed or maintained within 10 feet of any property line, it being the intention that an open area of at least 20 feet shall be maintained between all adjacent but separately owned buildings. A minimum clearance of 9 feet shall be maintained from the centerline of any railroad track on the premises to the property line.

(c) All areas between building lines and property lines shall be used either for landscaping or for off-street, surfaces, vehicle parking areas, or roadways; providing, however, that no landscaping or surfacing shall be required on portions of the property hereby conveyed that are held by the grantee for future expansion and/or development.

(d) Access areas shall be so arranged that vehicles will have access to and from buildings or loading dock areas without maneuvering in or occupying street areas.

(e) Fences or barriers of woven wire mounted on concrete or metal posts or of other non-inflammable material, presenting a neat appearance, are permitted along or at any place within property boundary lines.

(f) Nothing herein shall prevent appropriate plantings of trees and shrubbery within property boundary lines.

(g) Outside storage shall be screened so as not to be visible from street and to maintain a neat general appearance in the Industrial Park.

5. All buildings within said real property shall be of permanent type construction with fire-resistant roof, and shall be maintained in good condition and repair.

6. No waste material or refuse shall be dumped upon or permitted to remain upon any part of said real property outside of buildings constructed thereon.

7. No billboards or advertising signs other than those identifying the name, business and products of the persons or firm occupying the premises

shall be permitted.

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8. Grantee, its successors and assigns shall provide off-street automobile parking facilities at the minimum rate of two parking spaces for each three employees working on the said real property. No parking shall be allowed on any street.

9. Any individual power plant erected on the said real property shall be of a type the operation of which is not in conflict with established pollution laws and regulations and which does not produce any abnormal smoke, odor, fumes, radiation or excessive noise.

10. Nothing herein shall prevent construction, maintenance, and operation within the Industrial Park area of railroad tracks and their necessary appurtenances; roads, streets and highways; sewers, water, steam, gas or drain pipes; communication or electric wires; or other utilities, excepting, however, such construction, maintenance and operation shall be controlled by the several covenants and restrictions contained in this deed insofar as applicable.

11. The grantor has established these covenants and restrictions in order to insure proper use and appropriate development and improvement in an orderly and harmonious manner, and to provide a general plan or scheme of development for the Swan Island-Mocks Bottom Industrial Park, which term is understood to mean all that real property now owned or controlled by The Port of Portland, situated in what is commonly known as Swan Island and Mocks Bottom in Sections 16, 17, 18, 20 and 21, Township 1 North, Range 1 East of the Willamette Meridian in the County of Multnomah, State of Oregon. The grantor does not represent that these covenants and restrictions will be applied as to any other properties in the Industrial Park.

12. These covenants and restrictions shall remain in force in perpetuity and may be enforced by the grantor, its successors or assigns, either by action at law or suit in equity. The grantor reserves the right to waive any of these covenants and restrictions. The grantor shall not be responsible or liable to the grantee or any third parties for enforcement of or for failure to enforce these covenants and restrictions. Invalidity of any one of these covenants and restrictions, or any part thereof, by judgment or decree of any court shall in no way affect any of the other provisions, which shall remain in full force and effect.

13. The grantee covenants and agrees to include all the covenants and restrictions contained in this deed in any sale, lease, or other arrangement which changes ownership, control or use of all or part of the said real property subsequent to its purchase by the grantee herein, including the requirement that any subsequent owners, controllers or users so restrict their successors in interest.

14. It is distinctly covenanted and agreed between the parties hereto that all of the covenants, restrictions and agreements above expressed shall be held to run with and bind the land hereby conveyed, and all subsequent owners and occupants thereof.

The Port of Portland, the grantor above names, does covenant to and with the above named grantee, its successors and assigns, that it is lawfully seized

in fee simple of the above granted premises, that the above granted premises are free from all encumbrances, and that The Port of Portland will and its successors and assigns shall warrant and forever defend the above granted premises and every part and parcel thereof against the lawful claims and demands of all persons whomsoever.

IN WITNESS WHEREOF, the Port of Portland, pursuant to a resolution of its Board of Commissioners, duly and legally adopted, has caused these presents to be signed by its President and Assistant Secretary, and its corporate seal to be affixed this 18 day of April 1960.

THE PORT OF PORTLAND

By

Dennis J. Lindsay
President

By

John J. Winn, Jr.
Assistant Secretary

STATE OF OREGON)

) ss

County of Multnomah)

On this 18 day of April 1960, before me appeared DENNIS J. LINDSAY, and JOHN J. WINN, JR., both to me personally known, who being duly sworn, did say that he, the said Dennis J. Lindsay is the President, and he, the said John J. Winn, Jr., is the Assistant Secretary of the within named The Port of Portland, a municipal corporation, and that the seal to the within instrument is the corporate seal of said municipal corporation, and that the said instrument was signed and sealed in behalf of said municipal corporation by authority of its Board of Commissioners, and the said Dennis J. Lindsay and John J. Winn, Jr., acknowledged said instrument to be the free act and deed of said municipal corporation.

IN TESTIMONY WHEREOF, I have hereunto set my hand and affixed my official seal, this the day and year first in this my certificate written.

APPROVED

Carl H. Cove
Properties Dept.

APPROVED

[Signature]
General Manager

Approved as to form:

[Signature]
Of Attorneys for the Port of Portland

[Signature]
Notary Public for Oregon

My Commission expires Sept. 9, 1960

(SEAL) DOCUMENT 14428 RECORDED APR 22 1960 11:23 AM BY COM. CLERK

Exhibit "AA"

WARRANTY DEED

KNOW ALL MEN BY THESE PRESENTS, that the Western Farmers Association, heretofore Washington Co-Operative Farmers Association, grantor, in consideration of the sum of Ten Dollars (\$10.00) and other good and valuable consideration to it paid by The Port of Portland, a municipal corporation of the State of Oregon, grantee, does hereby grant, bargain, sell and convey unto said The Port of Portland, its successors and assigns, all the following real property, with the tenements, hereditaments and appurtenances, situated in Section 17, Township 1 North, Range 1 East of the Willamette Meridian, in the City of Portland, County of Multnomah and State of Oregon, bounded and described as follows, to-wit:

Beginning at a point in the Northeast property line of Western Farmers Association, heretofore Washington Co-Operative Farmers Association, said point being 1339.93 feet North and 1806.53 feet West of the Southeast corner of the said Section 17; thence South 52° 15' East 63.03 feet; thence South 37° 45' West 550 feet; thence North 52° 15' West 63.03 feet; thence North 37° 45' East 550 feet to the true point of beginning.

TO HAVE AND TO HOLD the above described and granted premises unto the said The Port of Portland, its successors and assigns forever; subject, however, to the following covenants and restrictions which shall apply to and run with the said land:

1. The plants erected on the within described real property and the uses to which said property is put shall comply with the laws, statutes, regulations, ordinances and rulings of the State of Oregon and the City of Portland governing agencies having jurisdiction over the said property and its use.
2. No noxious or offensive trade, business or activity shall be conducted on said real property, nor shall anything be done thereon which may be or become a nuisance to the Swan Island-Mocks Bottom Industrial Park, whether by reason of unsightliness or the emission of odors, dust, fumes, smoke, noise, light, vibrations, or other causes.
3. The said real property shall not be used for any race tracks of any kind; automobile wrecking; processing of fats and oil; soap factory; glue plant, tallow chandlery or tannery for the tanning, dressing, preparing or keeping of hides, skins, or leather; central mixing plant for asphalt, mortar, lime, plaster or concrete, storage, processing, handling, cleaning, sorting, baling, sale or disposal of salvage, or used parts or materials of any kind, including wastepaper, rags, bottles, junk, scrap metals and automobile parts; amusement park; or any oil, starch, varnish, vitriol, turpentine or lamp black factory.

4. Any and all building, structures or improvements or any part or projection thereof (hereinafter collectively called "buildings") at any time constructed or maintained and extended above the ground surface, shall conform with the following:

(a) No such building shall be constructed or maintained within 50 feet of the property line adjacent to any public or Port-owned highway, road, avenue, street, or alley (hereinafter collectively called "street").

(b) Except where the foregoing requires a greater distance to be maintained, no building shall be constructed or maintained within 10 feet of any property line, it being the intention that an open area of at least 20 feet shall be maintained between all adjacent but separately owned buildings. A minimum clearance of 9 feet shall be maintained from the centerline of any railroad track on the premises to the property line.

(c) All areas between building lines and property lines shall be used either for landscaping or for off-street, surfaced, vehicle parking areas, or roadways; providing, however, that no landscaping or surfacing shall be required on portions of the property hereby conveyed that are held by the vendee for future expansion and/or development.

(d) Access areas shall be so arranged that vehicles will have access to and from buildings or loading dock areas without maneuvering in or occupying street areas.

(e) Fences or barriers of woven wire mounted on concrete or metal posts, or of other non-inflammable material, presenting a neat appearance, are permitted along or at any place within property boundary lines.

(f) Nothing herein shall prevent appropriate plantings of trees and shrubbery within property boundary lines.

(g) Outside storage shall be screened so as not to be visible from street and to maintain a neat general appearance in the Industrial Park.

5. All buildings within said real property shall be of permanent type construction with fire-resistant roof, and shall be maintained in good condition and repair.

6. No waste material or refuse shall be dumped upon or permitted to remain upon any part of said real property outside of buildings constructed thereon.

7. No billboards or advertising signs other than those identifying the name, business and products of the persons or firm occupying the premises shall be permitted.

8. Grantee, its successors and assigns shall provide off-street automobile parking facilities at the minimum rate of two parking spaces for each three employees working on the said real property. No parking shall be allowed on any street.

9. Any individual power plant erected on the said real property shall be of a type the operation of which is not in conflict with established pollution laws and regulations and which does not produce any abnormal smoke, odor, fumes, radiation or excessive noise.

10. Nothing herein shall prevent construction, maintenance, and operation within the Industrial Park area of railroad tracks and their necessary appurtenances; roads, streets and highways; sewers; water, steam, gas or drain pipes; communication or electric wires; or other utilities, excepting, however, such construction, maintenance and operation shall be controlled by the several covenants and restrictions contained in this deed insofar as applicable.

11. The grantee covenants and agrees to include all the covenants and restrictions contained in this deed in any sale, lease, or other arrangement which changes ownership, control or use of all or part of the said real property subsequent to its purchase by the grantee herein, including the requirement that any subsequent owners, controllers or users so restrict their successors in interest.

12. It is distinctly covenanted and agreed between the parties hereto that all of the covenants, restrictions and agreements above expressed shall be held to run with and bind the land hereby conveyed, and all subsequent owners and occupants thereof.

Western Farmers Association, heretofore Washington Co-Operative Farmers Association, the grantor above named, does covenant to and with the above named grantee, its successors and assigns, that it is lawfully seized in fee simple of the above granted premises, that the above granted premises are free from all encumbrances, except the covenants, restrictions and agreements contained in that certain deed from The Port of Portland to Western Farmers Association, heretofore Washington Co-Operative Farmers Association, dated April 24, 1959, and recorded in the Multnomah County Records of Deeds in Book 254 at page 336 on May 11, 1959, and that Western Farmers Association, heretofore Washington Co-Operative Farmers Association, will and its successors and assigns shall warrant and forever defend the above granted premises and every part and parcel thereof against the lawful claims and demands of all persons whomsoever.

BOOK 2006 PAGE 388

BOOK 2006 PAGE 397

Page 4

IN WITNESS WHEREOF, Western Farmers Association, heretofore
Washington Co-Operative Farmers Association, has caused these presents to
be signed by its duly authorized officers and its corporate seal to be affixed
this 31st day of March, 1960.

WESTERN FARMERS ASSOCIATION
(heretofore Washington Co-Operative Farmers
Association)

By Myron F. Hawley
President

By L. L. Hart
Secretary-Treasurer

State of Washington)
) ss
 County of King)

On this 31st day of March 1960, before me, the undersigned Notary Public in and for the State of Washington, duly commissioned and sworn, personally appeared Myron F. Hawley and L. C. Heath, to me known to be the President and Secretary-Treasurer, respectively, of WESTERN FARMERS ASSOCIATION, heretofore Washington Co-Operative Farmers Association, the corporation that executed the within and foregoing instrument, and acknowledged said instrument to be the free and voluntary act and deed of said corporation for the uses and purposes therein mentioned, and on oath stated that they were authorized to execute said instrument, and that the seal affixed is the corporate seal of said corporation.

WITNESS my hand and official seal the day and year in this certificate first above written.

Lorena Merriam
 Notary Public in and for the State
 of Washington, residing at Seattle.

12054

NOTARY PUBLIC
 STATE OF WASHINGTON
 COMMISSION EXPIRES
 12-31-61

Exhibit "BB"

WARRANTY DEED

BOOK 2054 PAGE 646

KNOW ALL MEN BY THESE PRESENTS, that The Port of Portland, a municipal corporation of the State of Oregon, grantor, in consideration of the sum of Ten Dollars (\$10.00) and other good and valuable consideration to it paid by Western Farmers Association, grantee, does hereby grant, bargain, sell and convey unto said Western Farmers Association, its successors and assigns, all the following real property, with the tenements, hereditaments and appurtenances, situated in Section 17, Township 1 North, Range 1 East of the Willamette Meridian, in the City of Portland, County of Multnomah, and State of Oregon, bounded and described as follows to wit:

Beginning at a point in the West line of North Basin Avenue (Engineer's centerline Stationing 19+39.95) said point being 1374.69 feet North and 1789.88 feet West of the Southeast corner of Section 17; thence South 37° 45' West 15.00 feet; thence Northerly along the arc of a 215 foot radius curve to the right; for a distance of 70.34 feet, through an angle of 18° 44' 46", the chord of which bears North 16° 37' 23" West; thence North 7° 15' West 385.36 feet; thence Northerly along the arc of a 135 foot radius curve to the left to which the last described course is tangent through an angle of 2° 32' for a distance of 5.97 feet to a point on the West line of North Basin Avenue; thence South 9° 47' East along North Basin Avenue 419.42 feet; thence Southerly along the arc of a 215 foot radius curve to the left to which the last described course is tangent through a central angle of 8° 16' 17" for a distance of 31.03 feet, to the point of beginning.

TO HAVE AND TO HOLD the above described and granted premises unto the said Western Farmers Association, its successors and assigns forever; subject, however to the following covenants and restrictions which shall apply to and run with the said land:

1. The buildings erected on the within described real property and the uses to which said property is put shall comply with the laws, statutes, regulations, ordinances and rulings of the State of Oregon and the City of Portland governing agencies having jurisdiction over the said property and its use.
2. No noxious or offensive trade, business or activity shall be conducted on said real property, nor shall anything be done thereon which may be or become a nuisance to the Swan Island-Mocks Bottom Industrial Park, whether by reason of unsightliness or the emission of odors, dust, fumes, smoke, noise, light, vibrations, or other causes.

Nothing in the foregoing paragraph is intended to prevent Western Farmers Association from erecting and operating a feed mill plant, egg candling plant, or a poultry processing plant. However, with regard to the poultry processing plant, it is understood that the unprocessed offal or residue from such operations shall be removed daily from the plant; the receiving of live poultry shall be in the rear of the plant; the receiving platform for live poultry shall be covered with a roof and screened so as not to be visible from the street; and the plant operations in general shall be maintained in a sanitary manner and controlled against emanating obnoxious odors as may be

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required by the State of Oregon and/or the City of Portland governing authorities.

3. The said real property shall not be used for any rare tracks of any kind; automobile wrecking; processing of fats and oil; soap factory; glue plant, tallow chandlery or tannery for the tanning, dressing, preparing or keeping of hides, skins, or leather; central mixing plant for asphalt, mortar, lime, plaster or concrete; storage, processing, handling, cleaning, sorting, baling, sale or disposal of salvage, or used parts or materials of any kind, including waste paper, rags, bottles, junk, scrap metals and automobile parts; amusement park; or any oil, starch, varnish, vitriol, turpentine or lamp black factory.

4. Any and all buildings, structures, or improvements or any part or projection thereof (hereinafter collectively called "buildings") at any time constructed or maintained and extended above the ground surface, shall conform with the following:

(a) No such building shall be constructed or maintained within 50 feet of the property line adjacent to any public or Port-owned highway, road, avenue, street, or alley (hereinafter called "street").

(b) Except where the foregoing requires a greater distance to be maintained, no building shall be constructed or maintained within 10 feet of any property line, it being the intention that an open area of at least 20 feet shall be maintained between all adjacent but separately owned buildings. A minimum clearance of 9 feet shall be maintained from the centerline of any railroad track on the premises to the property line.

(c) All areas between building lines and property lines shall be used either for landscaping or for off-street, surfaced, vehicles parking area, or roadways; providing, however, that no landscaping or surfacing shall be required on portions of the property hereby conveyed that are held by the grantee for future expansion and/or development.

(d) Access areas shall be so arranged that vehicles will have access to and from buildings or loading dock areas without maneuvering in or occupying the street areas.

(e) Fences or barriers of woven wire mounted on concrete or metal posts or of other non-inflammable material, presenting a neat appearance, are permitted along or at any place within property boundary lines.

(f) Nothing herein shall prevent appropriate plantings of trees and shrubbery within property boundary lines.

(g) Outside storage shall be screened so as not to be visible from street and to maintain a neat general appearance in the Industrial Park.

5. All buildings within said real property shall be of permanent type construction with fire-resistant roof, and shall be maintained in good condition and repair.

6. No waste material or refuse shall be dumped upon or permitted to remain upon any part of said real property outside of buildings constructed thereon.

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7. No billboards or advertising signs other than those identifying the name, business and products of the persons or firm occupying the premises shall be permitted.

8. Grantee, its successors and assigns shall provide off-street automobile parking facilities at the minimum rate of two parking spaces for each three employees working on the said real property. No parking shall be allowed on any street.

9. Any individual power plant erected on the said real property shall be of a type the operation of which is not in conflict with established pollution laws and regulations and which does not produce any abnormal smoke, odor, fumes, radiation or excessive noise.

10. Nothing herein shall prevent construction, maintenance, and operation within the Industrial Park area of railroad tracks and their necessary appurtenances; roads, streets, and highways; sewers, water, steam, gas or drain pipes; communication or electric wires; or other utilities, accepting, however, such construction, maintenance and operation shall be controlled by the several covenants and restrictions contained in this deed insofar as applicable.

11. The grantor has established these covenants and restrictions in order to insure proper use and appropriate development and improvement in an orderly and harmonious manner, and to provide a general plan or scheme of development for the Swan Island-Mocks Bottom Industrial Park; which term is understood to mean all that real property now owned or controlled by The Port of Portland, situated in what is commonly known as Swan Island and Mocks Bottom in sections 16, 17, 18, 20, and 21, Township 1 North, Range 1 East of the Willamette Meridian in the County of Multnomah, State of Oregon. The grantor does not represent that these covenants and restrictions will be applied as to any other properties in the Industrial Park.

12. These covenants and restrictions shall remain in force in perpetuity and may be enforced by the grantor, its successors or assigns, either by action at law or suit in equity. The grantor reserves the right to waive any of these covenants and restrictions. The grantor shall not be responsible or liable to the grantee or any third parties for enforcement of or for failure to enforce these covenants and restrictions. Invalidation of any one of these covenants and restrictions, or any part thereof, by judgment or decree of any court shall in no way affect any of the other provisions, which shall remain in full force and effect.

13. The grantee covenants and agrees to include all the covenants and restrictions contained in this deed in any sale, lease, or other arrangement which changes ownership, control or use of all or part of the said real property subsequent to its purchase by the grantee herein, including the requirement that any subsequent owners, controllers or users so restrict their successors in interest.

14. It is distinctly covenanted and agreed between the parties hereto that all of the covenants, restrictions and agreements above expressed shall be held to run with and bind the land hereby conveyed, and all subsequent owners and occupants thereof.

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BOOK 2054 PAGE 649

The Port of Portland, the grantor above named, does covenant to and with the above named grantee, its successors and assigns, that it is lawfully seized in fee simple of the above granted premises, that the above granted premises are free from all encumbrances, and that The Port of Portland will and its successors and assigns shall warrant and forever defend the above granted premises and every part and parcel thereof against the lawful claims and demands of all persons whomsoever.

IN WITNESS WHEREOF, The Port of Portland, pursuant to a resolution of its Board of Commissioners, duly and legally adopted, has caused these presents to be signed by its President and Assistant Secretary and its corporate seal to be affixed this 29th day of March, 1961.

THE PORT OF PORTLAND

BY Erling E. Jacobsen
President

BY John J. Winn, Jr.
Assistant Secretary

STATE OF OREGON)
County of Multnomah) ss

On this 29th day of March, 1961, before me appeared Erling E. Jacobsen, and John J. Winn, Jr. both to me personally known, who being duly sworn, did say that he, the said Erling E. Jacobsen, is the President, and he, the said John J. Winn, Jr., is the Assistant Secretary of the within named The Port of Portland, a municipal corporation, and that the seal to the within instrument is the corporate seal of said municipal corporation, and that the said instrument was signed and sealed in behalf of said municipal corporation by authority of its Board of Commissioners, and the said Erling E. Jacobsen, and John J. Winn, Jr., acknowledged said instrument to be the free act and deed of said municipal corporation.

IN TESTIMONY WHEREOF, I have hereunto set my hand and affixed my official seal, this the day and year first in this my certificate written.

DOCUMENT APPROVAL	RECORDING	APPROVED	DATE



H. C. McDowell
Notary Public for Oregon
My Commission expires 9-9-64

APPROVED BY COMMISSION
ON February 18, 1961

APPROVED AS TO FORM
Robert L. Patton
of Counsel for The Port of Portland

SEAL DOCUMENT 11676 RECORDED MAR 30 1961 12:03 PM SI COHN, County Clerk

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MAR 30 1961

Exhibit "CC"

WARRANTY DEED

BOOK 2054 PAGE 663

KNOW ALL MEN BY THESE PRESENTS, that the Western Farmers Association, heretofore Washington Co-operative Farmers Association, grantor, in consideration of the sum of Ten Dollars (\$10.00) and other good and valuable consideration to it paid by The Port of Portland, a municipal corporation of the State of Oregon, grantee, does hereby grant, bargain, sell and convey unto said The Port of Portland, its successors and assigns, all the following real property, with the tenements, hereditaments and appurtenances, situated in Section 17, Township 1 North, Range 1 East of the Willamette Meridian, in the City of Portland, County of Multnomah and State of Oregon bounded and described as follows, to wit:

Beginning at a point in the West line of North Basin Avenue (Engineer's centerline Stationing 19439.95) said point being also 1374.69 feet North and 1789.88 feet West of the Southeast corner of said Section 17; thence South 37° 45' West 15.00 feet to the true point of beginning; thence South 37° 45' West 572.18 feet; thence South 52° 15' East 7.72 feet; thence North 37° 45' East 568.55 feet; thence Northerly 8.53 feet along the arc of a 215 foot radius curve to the right through a central angle of 2° 16' 26", the chord of which bears North 27° 07' 59" West to the true point of beginning.

TO HAVE AND TO HOLD, the above described and granted premises unto the said The Port of Portland, its successors and assigns forever; subject, however, to the following covenants and restrictions which shall apply to and run with the said land:

1. The plants erected on the within described real property and the uses to which said property is put shall comply with the laws, statutes, regulations, ordinances and rulings of the State of Oregon, and the City of Portland governing agencies having jurisdiction over the said property and its use.
2. No noxious or offensive trade, business or activity shall be conducted on said real property, nor shall anything be done thereon which may be or become a nuisance to the Swan Island-Mocks Bottom Industrial Park, whether by reason of unsightliness or the emission of odors, dust, fumes, smoke, noise, light, vibrations, or other causes.
3. The said real property shall not be used for any race tracks of any kind; automobile wrecking; processing of fats and oil; soap factory, glue plant, tallow chandlery or tannery for the tanning, dressing, preparing or keeping of hides, skins, or leather; central mixing plant for asphalt, mortar, lime, plaster or concrete, storage, processing, handling, cleaning, sorting, baling, sale or disposal of salvage, or used parts or materials of any kind, including wastepaper, rags, bottles, junk, scrap metals and automobile parts; amusement park; or any oil, starch, varnish, vitriol, turpentine or lamp black factory.
4. Any and all building, structures, or improvements or any part or projection thereof (hereinafter collectively called "buildings") at any time constructed or maintained and extended above the ground surface, shall conform with the following:

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(a) No such building shall be constructed or maintained within 50 feet of the property line adjacent to any public or Port-owned highway, road, avenue, street, or alley (hereinafter collectively called "street").

(b) Except where the foregoing requires a greater distance to be maintained, no building shall be constructed or maintained within 10 feet of any property line, it being the intention that an open area of at least 20 feet shall be maintained between all adjacent but separately owned buildings. A minimum clearance of 9 feet shall be maintained from the centerline of any railroad track on the premises to the property line.

(c) All areas between building lines and property lines shall be used either for landscaping or for off-street, surfaced vehicle parking areas, or roadways; providing, however, that no landscaping or surfacing shall be required on portions of the property hereby conveyed that are held by the vendee for future expansion and/or development.

(d) Access areas shall be so arranged that vehicles will have access to and from buildings or loading dock areas without maneuvering in or occupying street areas.

(e) Fences or barriers of woven wire mounted on concrete or metal posts, or of other non-inflammable material, presenting a neat appearance, are permitted along or at any place within property boundary lines.

(f) Nothing herein shall prevent appropriate plantings of trees and shrubbery within property boundary lines.

(g) Outside storage shall be screened so as not to be visible from street and to maintain a neat appearance in the Industrial Park.

5. All buildings within said real property shall be of permanent type construction with fire-resistant roof, and shall be maintained in good condition and repair.

6. No waste material or refuse shall be dumped upon or permitted to remain upon any part of said real property outside of buildings constructed thereon.

7. No billboards or advertising signs other than those identifying the name, business and products of the persons or firm occupying the premises shall be permitted.

8. Grantee, its successors and assigns shall provide off-street automobile parking facilities at the minimum rate of two parking spaces for each three employees working on the said real property. No parking shall be allowed on any street.

9. Any individual power plant erected on the said real property shall be of a type the operation of which is not in conflict with established pollution laws and regulations and which does not produce any abnormal smoke, odor, fumes, radiation or excessive noise.

BOOK 2054 PAGE 664

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MAR 30 1961

RECORDING OFFICE - CLATSOP COUNTY
CLATSOP COUNTY, OREGON
RECORDING OFFICE - CLATSOP COUNTY
CLATSOP COUNTY, OREGON

BOOK 2054 PAGE 665

10. Nothing herein shall prevent construction, maintenance, and operation within the Industrial Park area of railroad tracks and their necessary appurtenances; roads, streets and highways; sewers; water, steam, gas or drain pipes; communication or electric wires; or other utilities, excepting, however, such construction, maintenance and operation shall be controlled by the several covenants and restrictions contained in this deed insofar as applicable.

11. The grantee covenants and agrees to include all the covenants and restrictions contained in this deed in any sale, lease or other arrangement which changes ownership, control or use of all or part of the said real property subsequent to its purchase by the grantee herein, including the requirement that any subsequent owners, controllers or users so restrict their successors in interest.

12. It is distinctly covenanted and agreed between the parties hereto that all of the covenants, restrictions and agreements above expressed shall be held to run with and bind the land hereby conveyed, and all subsequent owners and occupants thereof.

Western Farmers Association, heretofore Washington Co-operative Farmers Association, the grantor above named, does covenant to and with the above named grantee, its successors and assigns, that it is lawfully seized in fee simple of the above granted premises, that the above granted premises are free from all encumbrances, except the covenants, restrictions and agreements contained in certain deeds from The Port of Portland to Western Farmers Association, heretofore Washington Co-operative Farmers Association, dated April 24, 1959 and March 31, 1960, and recorded in the Multnomah County Records of Deeds in Book 1954 at page 336, on May 11, 1959 and in Book 2006 at page 384 on April 27, 1960 respectively and that Western Farmers Association, heretofore Washington Co-operative Farmers Association, will and its successors and assigns shall warrant and forever defend the above granted premises and every part and parcel thereof against the lawful claims and demands of all persons whomsoever.

IN WITNESS WHEREOF, Western Farmers Association, heretofore Washington Co-operative Farmers Association, has caused these presents to be signed by its duly authorized officers and its corporate seal to be affixed this 13th day of March 1961.

WESTERN FARMERS ASSOCIATION
(heretofore Washington Co-operative Farmers Assn.)

BY Harry J. Beernink
President General Manager

BY L. C. Heath
Secretary-Treasurer

- 3 -

CERTIFICATE

The undersigned certifies that the following resolution was adopted by the Board of Directors of the Western Farmers Association, heretofore Washington Co-Operative Farmers Association, at its duly constituted meeting on March 12, 1958:

RESOLUTION

Be it resolved that Harry J. Beernink, General Manager, and L. C. Heath, Secretary-Treasurer, are hereby authorized and empowered (i) to execute on behalf of Western Farmers Association any and all checks, notes, conveyances, encumbrances and every and all manner of other instrument of every nature and description whatsoever and (ii) to affix the Association's corporate seal on any and all such instruments.

In witness whereof, I have hereunto set my hand and affixed the seal of said corporation this 12th day of March 1958.

L. C. Heath
Secretary of the Board
CLATSOP COUNTY, OREGON

SEAL DOCUMENT 11698 RECORDED MAR 30 1961 12:35 P.M. SI COHN, County Clerk
MAR 30 1961

Exhibit "DD"

DEBTOR IN POSSESSION'S
BARGAIN AND SALE DEED

BOOK 1651 PAGE 717

who appears of record as Western Farmers' Association, Inc., a Washington corporation, who acquired title as Washington Co-operative Farmers Association WESTERN FARMERS ASSOCIATION, Debtor in Possession of the estate of Western Farmers Association, Debtor, Grantor, conveys to HOWARD MORF, Grantee, the following described real property:

As set out on Exhibit A attached hereto

Together with the appurtenances thereon.

The true and actual consideration for this conveyance is FIVE HUNDRED NINETEEN THOUSAND, NINETY-FIVE AND TWENTY-FOUR ONE HUNDRETHS DOLLARS (\$519,095.24).

Until a change is requested, all tax statements are to be sent to the following address:

Howard Morf, (b) (6) [redacted]
Santa Barbara, California 93103

EXECUTED this 9th day of March, 1983.

WESTERN FARMERS ASSOCIATION

By: [Signature]
R. A. Baldwin
President

By: [Signature]
Michael G. Wickstead
Secretary

As Debtor in Possession of the
Estate of Western Farmers
Association

STATE OF WASHINGTON)
SS
COUNTY OF KING)

On this 9th day of March, 1983, before me,
the undersigned, a Notary Public in and for the State of Washington,

MAR 14 1983

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BOOK 1651 PAGE 718

duly commissioned and sworn, personally appeared R. A. Baldwin and Michael G. Wickstead, to me know to be the President and Secretary, respectively, of Western Farmers Association, the corporation that executed the within and foregoing instrument, and who acknowledged to me that they executed the foregoing instrument on behalf of said corporation as the free and voluntary act and deed of said corporation.



Teresa O'Neill
NOTARY PUBLIC, in and for the
State of Washington, residing
at *Seattle*

15556

MAR 14 1983

Title No. 16-10948

EXHIBIT "A"

BOOK 1651 PAGE 719

A tract of land situated in Section 17, Township 1 North, Range 1 East of the Willamette Meridian, in the City of Portland, County of Multnomah and State of Oregon, described as follows:

Beginning at a point in the Westerly line of North Basin Avenue (Engineer's center line Station 19+39.35), said point being 1374.69 feet North and 1789.88 feet West of the Southeast corner of said Section 17; thence leaving said Westerly line of North Basin Avenue, South 37°45'00" West, 637.18 feet to a point on the harbor line as established by the Federal Government; thence North 52°15'00" West, along said harbor line, 321.82 feet; thence North 37°45'00" East, 707.79 feet; thence North 43°21'28" East, 203.67 feet to a point on said Westerly line of North Basin Avenue; thence South 9°47'00" East, along said Westerly line of North Basin Avenue, 376.32 feet to a point of curvature; thence along a curve to the left having a radius of 215.00 feet and a central angle of 8°16'09" for a distance of 31.03 feet, said curve being subtended by a chord bearing South 13°55'05" East, 31.00 feet to the point of beginning.

15556

STATE OF OREGON
Multnomah County
Plat 1651
Book 1651
Page 719
This is to certify that the foregoing is a true and correct copy of the original record as the same appears in the books of the County of Multnomah, Oregon.

MULTNOMAH COUNTY, OREGON

MAR 14 1983

1651
717
1551
1270

M. R. R. R.
1270

15556

MAR 14 1983

Exhibit "EE"

NE

BOOK 2539 PAGE 312

PERSONAL REPRESENTATIVE'S DEED

THIS INDENTURE Made this 24th day of April, 1992, by and between ROGER MORF the duly appointed, qualified and acting personal representative of the estate of HOWARD MORF deceased, hereinafter called the first party, and Roger Morf, Trustee of the Howard Morf Family Trust dated May 31, 1972 hereinafter called the second party; WITNESSETH:

For value received and the consideration hereinafter stated, the receipt whereof hereby is acknowledged, the first party has granted, bargained, sold and conveyed, and by these presents does grant, bargain, sell and convey unto the said second party and second party's heirs, successors-in-interest and assigns all the estate, right and interest of the said deceased at the time of decedent's death, and all the right, title and interest that the said estate of said deceased by operation of the law or otherwise may have thereafter acquired in that certain real property situate in the County of Multnomah, State of Oregon, described as follows, to-wit:

See Attached Exhibit A

(IF SPACE INSUFFICIENT, CONTINUE DESCRIPTION ON REVERSE SIDE)

TO HAVE AND TO HOLD the same unto the said second party, and second party's heirs, successors-in-interest and assigns forever.

The true and actual consideration paid for this transfer, stated in terms of dollars, is \$ -0-

However, the actual consideration consists of or includes other property or value given or promised which is the whole consideration (indicate which).

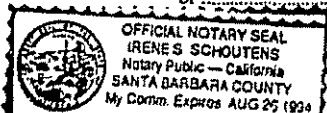
IN WITNESS WHEREOF, the said first party has executed this instrument; if first party is a corporation, it has caused its name to be signed and its seal affixed by an officer or other person duly authorized to do so by order of its board of directors.

THIS INSTRUMENT WILL NOT ALLOW USE OF THE PROPERTY DESCRIBED IN THIS INSTRUMENT IN VIOLATION OF APPLICABLE LAND USE LAWS AND REGULATIONS. BEFORE SIGNING OR ACCEPTING THIS INSTRUMENT, THE PERSON ACQUIRING FEE TITLE TO THE PROPERTY SHOULD CHECK WITH THE APPROPRIATE CITY OR COUNTY PLANNING DEPARTMENT TO VERIFY APPROVED USES.

Roger Morf
Roger Morf
Personal Representative
of the Estate of Howard Morf Deceased.

NOTE—The sentence between the symbols ©, if not applicable, should be deleted. See ORS 93.030.

CALIFORNIA
STATE OF OREGON, County of Santa Barbara ss.
This instrument was acknowledged before me on April 24th, 1992,
by Roger Morf
This instrument was acknowledged before me on _____, 19____,
by _____
as Personal Representative of the Estate of Howard Morf Deceased
of _____



Notary Public for Oregon
My commission expires August 26, 1994 California

Roger Morf, Personal Representative
1187 Coast Village Road, Suite #1-161
Santa Barbara, CA 93108

GRANTOR'S NAME AND ADDRESS

Roger Morf, Trustee
1187 Coast Village Road, Suite #1-161
Santa Barbara, CA 93108

GRANTEE'S NAME AND ADDRESS

After recording return to:

John H. Rosenfeld
1600 Pioneer Tower, 88 SW Fifth Avenue
Portland, OR 97204-2099

NAME, ADDRESS, ZIP

Until a change is requested all tax statements shall be sent to the following address.

No Change

NAME, ADDRESS, ZIP

STATE OF OREGON,
County of _____ ss.

I certify that the within instrument was received for record on the _____ day of _____, 19____, at _____ o'clock _____ M., and recorded in book/real/volume No. _____ on page _____ or as fee/file/instrument/microfilm/reception No. _____, Record of Deeds of said county.

Witness my hand and seal of County Affixed.

NAME TITLE
By _____ Deputy

MAY 05 1992

EXHIBIT A
TO
PERSONAL REPRESENTATIVE'S DEED FROM
ROGER MORF, PERSONAL REPRESENTATIVE OF
THE ESTATE OF HOWARD MORF
TO
ROGER MORF, TRUSTEE OF THE
HOWARD MORF FAMILY TRUST DATED 5/31/72

PARCEL I:

A tract of land situated in Section 17, Township 1 North, Range 1 East of the Willamette Meridian, in the City of Portland, County of Multnomah and State of Oregon, described as follows:

Beginning at a point in the Westerly line of North Basin Avenue (Engineer's center line Station 19+39.35), said point being 1,374.69 feet North and 1,789.88 feet West of the Southeast corner of said Section 17; thence leaving said Westerly line of North Basin Avenue, South 37°45'00" West, 637.18 feet to a point on the harbor line as established by the Federal Government; thence North 52°15'00" West, along said harbor line, 321.82 feet; thence North 37°45'00" East, 707.79 feet; thence North 43°21'28" East, 203.67 feet to a point on the said Westerly line of North Basin Avenue; thence South 9°47'00" East, along said Westerly line of North Basin Avenue, 376.32 feet to a point of curvature; thence along a curve to the left having a radius of 215.00 feet and a central angle of 8°16'09" for a distance of 31.03 feet, said curve being subtended by a chord bearing South 13°55'05" East, 31.00 feet to the point of beginning.

PARCEL II:

Lots 1 and 2, Block 30, ROSSMERE, in the City of Portland, County of Multnomah and State of Oregon.

PARCEL III:

Lots 9 through 18, Block 10, GREGORY HEIGHTS, in the City of Portland, County of Multnomah and State of Oregon. EXCEPTING THEREFROM that portion lying in NE 82nd Avenue as now established.

048358

STATE OF OREGON
Multnomah County

I, the Deputy for the Recorder of Conveyances, in and for said County, do hereby certify that the within instrument of writing was received for record and reduced to the record of said County.

92 MAY -5 AM 8:55

RECORDED AT OREGON
MULTNOMAH CO. OREGON

In Book

On Page

BOOK 2539 PAGE 312

Witness my hand and seal of office aforesaid.

Recorder of Conveyances

m. B. B. B.

Deputy

10
3
20

MAY 05 1992

Exhibit "FF"

10
30



STEWART TITLE

AFTER RECORDING RETURN TO:

SAMUELSON PROPERTIES,
5000 EDENHURST
LOS ANGELES CA 90039

UNTIL FURTHER NOTICE, ALL FUTURE
TAX STATEMENTS SHALL BE SENT TO:
SAMUELSON PROPERTIES,
5000 EDENHURST
LOS ANGELES CA 90039
TAX ACCOUNT NO.: R 94117 1290

STATUTORY WARRANTY DEED

ROGER MORF, Trustee of THE HOWARD MORF FAMILY TRUST dated May 31, 1972, as amended and restated to date, Grantor, conveys and warrants to SAMUELSON PROPERTIES, a California General Partnership, Grantee, the following described real property free of encumbrances except as specifically set forth herein situated in MULTNOMAH County, Oregon, to-wit:

SEE EXHIBIT "A" ATTACHED HERETO AND MADE A PART HEREOF.

The said property is free from encumbrances except: Rights of the public and governmental bodies in and to any portion of the premises herein described lying below the high water mark of the Willamette River, including any ownership rights which may be claimed by the State of Oregon below the high water mark; any adverse claim based upon the assertion that some portion of the said land has been created by artificial means or has been formed by accretion; Conditions and Restrictions in Deed Book 1954 page 336; Conditions and Restrictions in Deed Book 2005 page 627; Easement, for Electrical lines, telephone lines, and appurtenance granted to Portland General Electric Company Book 2040 page 528; Conditions and Restrictions in Deed 2054 page 646; Conditions and Restrictions, established by City of Portland Ordinance No. 119835 Book 232 page 274; Conditions and Restrictions including the terms and provisions thereof document: Notification of Administrative Action on Greenway Permit GP 10-88 Book 2125 page 2486; Deed of Trust with Assignment of Rents and Fixtures filing, Line of Credit Trust Deed, including the terms and provisions thereof to secure the amount noted below and other amounts secured thereunder Recorded Fee No. 95 049604, which the Grantee herein assumes and agrees to per the terms thereof; Unrecorded Lease and Option Agreement, including the terms and provisions thereof Fee No. 95036617, said Lease Option Agreement was amended by Amendment to Lease and Option Agreement dated May 31, 1993 as disclosed by said Assignment of Lease Fee No. 95 049606, the lien of the above Unrecorded Lease and Option Agreement was subordinated to Deed of Trust Fee No. 95 049604; Assignment of Leases and Rents, including the terms and provisions thereof Fee No. 95 049605, given as additional security.

THIS INSTRUMENT WILL NOT ALLOW USE OF THE PROPERTY DESCRIBED IN THIS INSTRUMENT IN VIOLATION OF APPLICABLE LAND USE LAWS AND REGULATIONS. BEFORE SIGNING OR ACCEPTING THIS INSTRUMENT, THE PERSON ACQUIRING FEE TITLE TO THE PROPERTY SHOULD CHECK WITH THE APPROPRIATE CITY OR COUNTY PLANNING DEPARTMENT TO VERIFY APPROVED USES AND TO DETERMINE ANY LIMITS ON LAWSUITS AGAINST FARMING OR FOREST PRACTICES AS DEFINED IN ORS 30.930.

The true consideration for this conveyance is \$1,375,000.00.

Dated this 30 day of June, 1995.

THE HOWARD MORF FAMILY TRUST

By:

Roger Morf - Trustee
ROGER MORF, TRUSTEE

NOTARY ATTACHED PAGE 2

1 of 2

95 78570

Title 3 1095

Stewart Title 95/100747
LF

Order No. 95100747-M

EXHIBIT "A"

A tract of land situated in Section 17, Township 1 North, Range 1 East of the Willamette Meridian, in the City of Portland, County of Multnomah and State of Oregon, described as follows:

Beginning at a point in the Westerly line of North Basin Avenue (80 feet wide) (Engineer's center line Station 19+39.35), said point being 1,374.69 feet North and 1,789.88 feet West of the Southeast corner of said Section 17; thence leaving said Westerly line of North Basin Avenue, South 37 degrees 45' 00" West, 637.18 feet to a point on the harbor line as established by the Federal Government; thence North 52 degrees 15' 00" West, along said harbor line, 321.82 feet to the southerly corner of that certain tract of land described in deed to CENEX AG, Inc., recorded April 22, 1982, in Book 1590, Page 1799, Deed Records; thence along the Southeasterly line of said CENEX AG, Inc. tract North 37 degrees 45' 00" East, 707.79 feet; thence North 43 degrees 21' 28" East, 203.67 feet to a point on the said Westerly line of North Basin Avenue; thence South 9 degrees 47' 00" East, along said Westerly line of North Basin Avenue, 376.32 feet to a point of curvature; thence along a curve to the left having a radius of 215.00 feet and a central angle of 8 degrees 16' 09" for a distance of 31.03 feet, said curve being subtended by a chord bearing South 13 degrees 55' 05" East, 31.00 feet to the point of beginning.

STATE OF WASHINGTON

COUNTY OF GRANT

On JUNE 30, 1995, personally appeared the above named ROGER MORF, TRUSTEE OF THE HOWARD MORF FAMILY TRUST DATED 05/31/72 AS AMENDED AND RESTATED TO DATE and acknowledged the foregoing instrument to be HIS voluntary act and deed.

Catherine F. Howland
Notary Public for
WASHINGTON

My commission expires 11-22-96



2

STATE OF OREGON
Multnomah County

I, a Deputy for the Recorder of Counties, in and for said County, do hereby certify that the within instrument of record has been received for record and recorded in the Record of said County

95 JUL -3 PM 1:52

RECORDING SECTION
MULTNOMAH CO. OREGON

Vol Page 95 78570

Witness my hand and seal of office at said

Recorder of Counties

C. Swick

Deputy

July 3, 1995

Exhibit "GG"

Samuelson Properties, a CA general partnership
 5000 Edenhurst Avenue
 Los Angeles, CA 90039
 Grantor's Name and Address
 ATC Leasing Company, LLC
 4316 39th Avenue
 Kenosha, WI 53144
 Grantee's Name and Address

After recording, return to (Name, Address, Zip):

ATC Leasing Company, LLC
 4316 39th Avenue
 Kenosha, WI 54144

Until requested otherwise, send all tax statements to (Name, Address, Zip):

As above

STATE OF OREGON,
 County of _____ ss.

I certify that the within instrument
 was received for record on the _____ day

Recorded in the County of Multnomah, Oregon
 C. Swick, Deputy Clerk

38.00

99183626 2:40pm 09/30/99

029 578301 03 18 000205
 A37 3 0.00 15.00 3.00 20.00 0.00

NAME

TITLE

By _____, Deputy.

SPECIAL WARRANTY DEED

KNOW ALL BY THESE PRESENTS that Samuelson Properties, a California general partnership

hereinafter called grantor, for the consideration hereinafter stated, to grantor paid by ATC Leasing Company, LLC, a
 Kentucky limited liability company
 hereinafter called grantee, does hereby grant, bargain, sell and convey unto the grantee and grantee's heirs, successors and assigns,
 that certain real property, with the tenements, hereditaments and appurtenances thereunto belonging or in any way appertaining,
 situated in Multnomah County, State of Oregon, described as follows, to-wit:

For a complete legal description, see "Legal Description" attached
 hereto and made a part hereof:

Subject to: See exhibit "A" attached hereto and made a part hereof:

(IF SPACE INSUFFICIENT, CONTINUE DESCRIPTION ON REVERSE SIDE)

To Have and to hold the same unto grantee and grantee's heirs, successors and assigns forever.

And grantor hereby covenants to and with grantee and grantee's heirs, successors and assigns, that the real property is free
 from encumbrances created or suffered thereon by grantor and that grantor will warrant and defend the same and every part and
 parcel thereof against the lawful claims and demands of all persons claiming by, through, or under the grantor.

The true and actual consideration paid for this transfer, stated in terms of dollars, is \$ 1,965,000.00
 which consideration (The sentence between the symbols @, if not applicable, should be deleted. See ORS 93.030.)

In construing this deed, where the context so requires, the singular includes the plural, and all grammatical changes shall be
 made so that this deed shall apply equally to corporations and to individuals.

In witness whereof, the grantor has executed this instrument this 29 day of September, 1999; if grantor
 is a corporation, it has caused its name to be signed and its seal, if any, affixed by an officer or other person duly authorized to do
 so by order of its board of directors.

Samuelson Properties, a California general
 partnership

THIS INSTRUMENT WILL NOT ALLOW USE OF THE PROPERTY DESCRIBED IN
 THIS INSTRUMENT IN VIOLATION OF APPLICABLE LAND USE LAWS AND REGU-
 LATIONS. BEFORE SIGNING OR ACCEPTING THIS INSTRUMENT, THE PERSON
 ACQUIRING FEE TITLE TO THE PROPERTY SHOULD CHECK WITH THE APPRO-
 PRIATE CITY OR COUNTY PLANNING DEPARTMENT TO VERIFY APPROVED USES
 AND TO DETERMINE ANY LIMITS ON LAWSUITS AGAINST FARMING OR FOREST
 PRACTICES AS DEFINED IN ORS 30.930.

California
 STATE OF OREGON, County of Los Angeles ss.

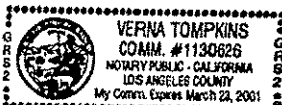
This instrument was acknowledged before me on September 29, 1999.

by This instrument was acknowledged before me on September 29, 1999.

by Jack D. Samuelson and Robert A. Samuelson

as Partners

of Samuelson Properties, a California general partnership



Verna Tompkins
 Notary Public for California

My commission expires 3/23/01

Recorded By TICOR TITLE

1767882

LEGAL DESCRIPTION

A tract of land situated in Section 17, Township 1 North, Range 1 East of the Willamette Meridian, in the City of Portland, County of Multnomah and State of Oregon, described as follows:

Beginning at a point in the Westerly line of North Basin Avenue (Engineer's center line Station 19+39.35), said point being 1374.69 feet North and 1789.88 feet West of the Southeast corner of said Section 17; thence leaving said Westerly line of North Basin Avenue, South 37° 45' 00" West, 637.18 feet to a point on the harbor line as established by the Federal Government; thence North 52° 15' 00" West, along said harbor line, 321.82 feet to the Southerly corner of that certain tract of land described in Deed to CENEX AG, Inc., recorded April 22, 1982 in Book 1590, Page 1799, Deed Records; thence along the Southeasterly line of said CENEX AG, Inc., tract North 37° 45' 00" East, 707.79 feet; thence North 43° 21' 28" East, 203.67 feet to a point on said Westerly line of North Basin Avenue; thence South 9° 47' 00" East, along said Westerly line of North Basin Avenue, 376.32 feet to a point of curvature; thence along a curve to the left having a radius of 215.00 feet and a central angle of 8° 16' 09" for a distance of 31.03 feet, said curve being subtended by a chord bearing South 13° 55' 05" East, 31.00 feet to the point of beginning.

Exhibit "A"

1. Conditions and Restrictions contained in Warranty Deed, including the terms and provisions thereof,
From: The Port of Portland, a municipal corporation of the State of Oregon
To: Washington Co-Operative Farmers Association
Recorded: May 11, 1959
Book: 1954 Page: 336
Records of Multnomah County, Oregon.

But omitting any covenant or restriction based upon race, color, religion, sex, handicap, familial status or national origin and omitting restrictions, if any, based on limitations on facilities authorized under the provisions of ORS 443.400 to 443.455 (Residential Facilities and Homes) or 443.705 to 443.825 (Adult Foster Homes.)

2. Conditions and Restrictions contained in Warranty Deed, including the terms and provisions thereof,
From: The Port of Portland, a municipal corporation of the State of Oregon
To: Western Farmers Association
Recorded: April 22, 1960
Book: 2005 Page: 627
Records of Multnomah County, Oregon.

But omitting any covenant or restriction based upon race, color, religion, sex, handicap, familial status or national origin and omitting restrictions, if any, based on limitations on facilities authorized under the provisions of ORS 443.400 to 443.455 (Residential Facilities and Homes) or 443.705 to 443.825 (Adult Foster Homes.)

3. Conditions and Restrictions contained in Warranty Deed, including the terms and provisions thereof,
From: The Port of Portland, a municipal corporation of the State of Oregon
To: Western Farmers Association, its successors and/or assigns
Recorded: April 30, 1961
Book: 2054 Page: 646
Records of Multnomah County, Oregon.

But omitting any covenant or restriction based upon race, color, religion, sex, handicap, familial status or national origin and omitting restrictions, if any, based on limitations on facilities authorized under the provisions of ORS 443.400 to 443.455 (Residential Facilities and Homes) or 443.705 to 443.825 (Adult Foster Homes.)

4. Easement, including the terms and provisions thereof,
From: Western Farmers Association formerly Washington Co-operative Farmers Association
To: Portland General Electric Company, an Oregon corporation

Recorded: December 13, 1960
Book: 2040 Page: 528
Records of Multnomah County, Oregon.

~~5. Conditions and Restrictions contained in Warranty Deed, including the terms and provisions thereof,
Recorded: December 13, 1960
Book: 2040 Page: 528
Records of Multnomah County, Oregon.~~

5. Administrative Action on Greenway Permit No. GP10-88, including the terms and provisions thereof, recorded August 4, 1988 in Book 2125, Page 2486. Records of Multnomah County, Oregon.

Exhibit "HH"

WARRANTY DEED
SWAN ISLAND INDUSTRIAL PARK

BOOK 1441 PAGE 1283

THE PORT OF PORTLAND, a municipal corporation of the State of Oregon ("Grantor"), conveys and warrants to OK DELIVERY SYSTEM, INC., an Oregon corporation ("Grantee"), the following-described real property free of encumbrances except as specifically set forth herein:

A parcel of land located in Section 17, Township 1 North, Range 1 East, Willamette Meridian, Multnomah County, Oregon, described as follows:

Beginning at a point on the southwest right-of-way line of North Basin Avenue which bears South 89° 44' 34" West, 702.61 feet from the southeast corner of Section 17, Township 1 North, Range 1 East, Willamette Meridian; thence along said right-of-way line the following courses: northwesterly 132.98 feet along the arc of a non-tangent curve to the right having a radius of 240.00 feet and a central angle of 31° 44' 51" to a point which bears North 16° 06' 55" West, 131.29 feet from the last described point; thence North 00° 14' 30" West, 314.46 feet; thence Northwesterly 145.23 feet along the arc of a curve to the left having a radius of 160.00 feet and a central angle of 52° 00' 30" to a point which bears North 26° 14' 45" West, 140.30 feet from the last described point; thence North 52° 15' 00" West, 548.63 feet; thence leaving said right-of-way line South 37° 45' 00" West, 386.76 feet; thence South 52° 15' East, 140.00 feet; thence South 37° 45' 00" West, 28.24 feet; thence South 52° 15' 00" East 60.00 feet; thence North 37° 45' 00" East, 28.24 feet; thence South 52° 15' 00" East, 774.33 feet to the point of beginning containing 6.946 acres.

Excepting therefrom all minerals, gas, oil and sulphur in that portion of the herein described property lying within that portion conveyed from the State of Oregon to The Port of Portland, a municipal corporation by deed recorded June 28, 1967, in Book 568, Page 1121, Deed Records of Multnomah County.

Until a change is requested, all tax statements shall be sent to the following address:

P.O. Box 4325 PORTLAND,
OREGON 97208. ATTENTION TREASURER

This conveyance is subject to:

BOOK 1441 PAGE 1284

1. Rights of the public and governmental bodies in and to that portion of the above-described real property lying below the high-water mark of the Willamette River and the ownership of the State of Oregon in and to that portion lying below the high-water mark thereof.

2. A sewer easement in favor of the City of Portland dated January 29, 1960, and recorded February 29, 1960, in Book 1997, at Page 461, of the Multnomah County Records.

3. Covenants, conditions and restrictions, but omitting restrictions, if any, based on race, color, religion or national origin, imposed by instrument recorded June 28, 1967, in Book 568, at Page 1121, of the Multnomah County Records.

4. The implied right-of-entry in favor of the State of Oregon to mine the minerals reserved in the deed from the State of Oregon to the Port of Portland recorded June 28, 1967, in Book 568, at Page 1121, of the Multnomah County Records.

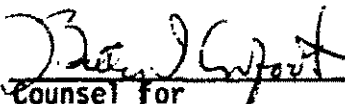
5. Covenants, conditions and restrictions, but omitting restrictions, if any, based on race, color, religion or national origin, imposed by instrument recorded October 14, 1968, in Book 645, at Page 184, of the Multnomah County Records.

6. Additional taxes which might become payable upon termination of Municipal Corporation Exemption.



The true consideration for this conveyance is \$2,225,000, including certain real property conveyed by Grantee to Grantor.

Dated as of the 15th day of May, 1980.

APPROVED AS TO FORM


Counsel for
The Port of Portland

THE PORT OF PORTLAND


President

Assistant Secretary

05/09/80
LSE:L/HN

STATE OF OREGON)
County of Multnomah) SS.

BOOK 1441 PAGE 1285

On this 12th day of May, 1980, before me appeared
Joseph M. Edgar and Marion F. Siedow,
who being duly sworn, did say that he, Joseph M. Edgar,
is the President and Marion F. Siedow, is the Assistant
Secretary of the within named, The Port of Portland, a municipal corpo-
ration, that the seal to the within instrument is the corporate seal of
said municipal corporation, and that said instrument was signed and
sealed by authority of its Board of Commissioners, and Joseph M. Edgar
and Marion F. Siedow acknowledged this to be
the free act and deed of said municipal corporation.

IN TESTIMONY WHEREOF, I have hereunto set my hand and affixed my official
seal this day and year first in this certificate written.

Shirley S. Dackinfor
Notary Public for Oregon
My Commission Expires 3-7-82

37780

STATE OF OREGON }
Multnomah County }

Director, Department of Admin-
istration Services and Records of Counties in and
for said County, do hereby certify that the within
instrument is among said records for record and
recorded in the record of
of said County at

1980 MAY 15 PM 2:31
RECORDING SECTION
MULTNOMAH CO. OREGON

in Book 1441 On Page 1283
where my name and map of office affixed

Director,
Department of Administration
Services
P. J. Bennett
April 17

Exhibit "II"

OK DELIVERY SYSTEM, INC., an Oregon corporation ("Grantor"), conveys and warrants to THE PORT OF PORTLAND, a municipal corporation of the State of Oregon ("Grantee"), the following-described real property free of encumbrances except as specifically set forth herein:

A parcel of land located in Section 17, Township 1 North, Range 1 East, Willamette Meridian, Multnomah County, Oregon, described as follows:

Beginning at a point on the Southwest right-of-way line of North Basin Avenue which bears South $89^{\circ}44'34''$ West, 702.61 feet from the Southeast corner of Section 17, Township 1 North, Range 1 East, Willamette Meridian; thence along said right-of-way line the following courses: Northwestery 132.98 feet along the arc of a non-tangent curve to the right having a radius of 240.00 feet and a central angle of $31^{\circ}44'51''$ to a point which bears North $16^{\circ}06'55''$ West, 131.29 feet from the last described point; thence North $00^{\circ}14'30''$ West, 314.46 feet; thence Northwestery 145.23 feet along the arc of a curve to the left having a radius of 160.00 feet and a central angle of $52^{\circ}00'30''$ to a point which bears North $26^{\circ}14'45''$ West, 140.30 feet from the last described point, thence North $52^{\circ}15'$ West, 548.63 feet; thence leaving said right-of-way line South $37^{\circ}45'$ West, 386.76 feet; thence South $52^{\circ}15'$ East, 140.00 feet; thence South $37^{\circ}45'$ West, 28.24 feet; thence South $52^{\circ}15'$ East, 60.00 feet; thence North $37^{\circ}45'$ East, 28.24 feet; thence South $52^{\circ}15'$ East, 774.33 feet to the point of beginning containing 6.946 acres.

Excepting therefrom all minerals, gas, oil and sulphur in that portion of the herein described property lying within that portion conveyed from the State of Oregon to The Port of Portland, a municipal corporation by deed recorded June 28, 1967 in Book 568, Page 1121, Deed Records of Multnomah County.

Until a change is requested, all tax statements shall be sent to the following address:

700 N.E. MULTNOMAH AVE
PORTLAND, OREGON 97208
ATT: Director of Finance

This conveyance is subject to:

BOOK 1441 PAGE 1287

1. Rights of the public and of governmental bodies in and to that portion of the above-described real property lying below the high water mark of the Willamette River and the ownership of the State of Oregon in and to that portion lying below the high water mark thereof.

2. A sewer easement in favor of the City of Portland dated January 29, 1960, and recorded February 29, 1960, in Book 1997, at Page 461, of the Multnomah County Records.

3. Covenants, conditions and restrictions, but omitting restrictions, if any, based on race, color, religion or national origin, imposed by instrument recorded June 28, 1967, in Book 568, at Page 1121, of the Multnomah County Records.

4. The implied right of entry in favor of the State of Oregon to mine the minerals reserved in the deed from the State of Oregon to The Port of Portland recorded June 28, 1967, in Book 568, at Page 1121.

5. Covenants, conditions and restrictions, but omitting restrictions, if any, based on race, color, religion or national origin, imposed by instrument recorded October 14, 1968, in Book 645, at Page 184, of the Multnomah County Records.

6. Additional taxes which might become payable upon termination of Municipal Corporation Exemption.

The true consideration for this conveyance is \$2,225,000.

Dated this 15th day of May, 1980.

OK DELIVERY SYSTEM, INC.

By 
John J. Mathews
President

STATE OF OREGON)
) SS
COUNTY OF MULTNOMAH)

The foregoing instrument was acknowledged before me this 14th day of May, 1980, by John J. Mathews, president of OK Delivery System, Inc., an Oregon corporation, on behalf of the corporation.


Notary Public for Oregon
My commission expires: 12/4/83

37781

STATE OF OREGON }
Multnomah County }

ss.

I, _____, Director, Department of Administration Services and Recorder of Conveyances, in and for said County, do hereby certify that the within instrument of writing was received for record and recorded in the record of _____ of said County at _____

1980 MAY 15 PM 2:31
RECORDING SECTION
MULTNOMAH CO. OREGON

In Book 1441 On Page 1286
witness my hand and seal of office affixed.

Director
Department of Administration
Services

J. Thonnet
Deputy.
Rec-14

BOOK 1441 PAGE 1283

700

Exhibit "JJ"

TICOR TITLE INSURANCE

STATUTORY WARRANTY DEED

BOOK 2781 PAGE 4035

ISLAND HOLDINGS, INC.

Grantor,

conveys and warrants to

WATUMULL PROPERTIES, CORP. a Hawaii Corporation

Grantee, the following described real property free of encumbrances except as specifically set forth herein situated in County, Oregon, to wit:

MULTNOMAH

SEE 'LEGAL DESCRIPTION' ATTACHED HERETO AND BY REFERENCE MADE A PART HEREOF.

THIS INSTRUMENT WILL NOT ALLOW USE OF THE PROPERTY DESCRIBED IN THIS INSTRUMENT IN VIOLATION OF APPLICABLE LAND USE LAWS AND REGULATIONS. BEFORE SIGNING OR ACCEPTING THIS INSTRUMENT, THE PERSON ACQUIRING FEE TITLE TO THE PROPERTY SHOULD CHECK WITH THE APPROPRIATE CITY OR COUNTY PLANNING DEPARTMENT TO VERIFY APPROVED USES. The said property is free from encumbrances except as specifically set forth herein. SEE 'DEED EXCEPTIONS' ATTACHED HERETO AND BY REFERENCE MADE A PART HEREOF.

The true consideration for this conveyance is \$ 2,000,000.00

(Here comply with the requirements of ORS 93.030)

Dated this 1ST day of NOVEMBER 19 93

ISLAND HOLDINGS, INC.

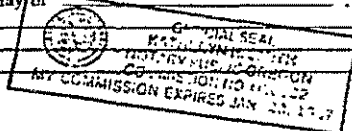
John J. Mathews
JOHN J. MATHEWS

State of Oregon, County of

State of Oregon, County of MULTNOMAH

The foregoing instrument was acknowledged before me this 1st day of NOVEMBER 19 93 by

The foregoing instrument was acknowledged before me this 1st day of NOVEMBER 19 93 by JOHN J. MATHEWS President and Secretary of



ISLAND HOLDINGS, INC. OREGON

on behalf of the corporation.

Notary Public for Oregon
My commission expires:

John J. Mathews
Notary Public for Oregon
My commission expires: 1-23-97

WARRANTY DEED

This Space Reserved for Recorder's Use

ISLAND HOLDINGS, INC.

GRANTOR
GRANTEE

WATUMULL PROPERTIES, CORP.
Until a change is requested, all tax statements shall be sent to the following address:

WATUMULL PROPERTIES, CORP.
C/O STEVE ROSE, ATTY 117 SW TAYLOR #300 PORTLAND OR 97204

Escrow No. 610852ES Title No. 11410552-DE
After recording return to

WATUMULL PROPERTIES, CORP.
C/O STEVE ROSE, ATTY 117 SW TAYLOR #300 PORTLAND, OR 97204

Ticor Form No. 137 Statutory Warranty Deed 8/85

NOV 10 1993

LEGAL DESCRIPTION

A parcel of land located in Section 17, Township 1 North, Range 1 East of the Willamette Meridian, in the County of Multnomah and State of Oregon, described as follows:

Beginning at a point on the Southwest right of way line of North Basin Avenue which bears South 87 degrees 44' 34" West 702.61 feet from the Southeast corner of Section 17, Township 1 North, Range 1 East of the Willamette Meridian; thence along said right of way line the following courses: Northwesterly 132.98 feet along the arc of a non-tangent curve to the right having a radius of 240.00 feet and a central angle of 31 degrees 44' 51" to a point which bears North 16 degrees 06' 55" West, 131.29 feet from the last described point; thence North 00 degrees 14' 30" West, 314.46 feet; thence Northwesterly 145.23 feet along the arc of a curve to the left having a radius of 160.00 feet and a central angle of 52 degrees 00' 30" to a point which bears North 26 degrees 14' 45" West 140.30 feet from the last described point; thence North 52 degrees 15' West, 548.63 feet; thence leaving said right of way line South 37 degrees 45' West, 386.76 feet; thence South 52 degrees 15' East, 140.00 feet; thence South 37 degrees 45' West, 28.24 feet; thence South 52 degrees 15' East, 60.00 feet; thence North 37 degrees 45' East, 28.24 feet; thence South 52 degrees 15' East, 774.33 feet to the point of beginning. -----

- 5 -

Ticor Title Insurance Company

1993/94 TAXES, \$52,302.28, not paid for Acct. No. 94117-1260, Code 001

Easement, including the terms and provisions thereof,
 From: Port of Portland Commission, a corporation
 TO: City of Portland, a municipal corporation of the State of Oregon
 Recorded: February 29, 1960
 Book: 1997 Page 461
 Records of Multnomah County, Oregon.
 For: sewer
 Affects: Southeasterly portion

Conditions and Restrictions contained in instrument, including the terms and provisions thereof.
 Recorded: June 28, 1957
 Book: 568 Page 1121
 Records of Multnomah County, Oregon.

Covenants, conditions and restrictions, including the terms and provisions thereof, in Deed
 Recorded: October 14, 1968
 Book: 645 Page 184
 Records of Multnomah County, Oregon.

Ordinance No. GP 5-87, including the terms and provisions thereof.
 Recorded: July 7, 1987
 Book: 2021 Page 2224
 Deed Records.

Easement, including the terms and provisions thereof,
 From: Port of Portland
 To: Pacific Northwest Bell Telephone Company, a Washington corporation
 Recorded: April 25, 1988
 Book: 2097 Page 1304
 Records of Multnomah County, Oregon
 For: underground communications line
 Affects: Southeasterly portion

Easement, including the terms and provisions thereof,
 From: Island Holdings, Inc., an Oregon corporation
 To: U.S. West Communications, Inc. its successors and/or assigns
 Recorded: February 11, 1992
 Book: 2506 Page 581
 Records of Multnomah County, Oregon.
 For: underground communications facilities
 Affects: Southeasterly portion

The rights of tenants holding under unrecorded leases.

Rights of utilities to service existing lines.

Covenants, Conditions and Restrictions set out in Deed from Port of Portland to Island Holdings, Inc. recorded November 10, 1993 as Fee No. 152502 and as modified by Quitclaim and Waiver recorded November 10, 1993 as Fee No. 152503

152504

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 03 NOV 10 PM 3:51

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BOOK 2781 PAGE 4035

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Exhibit "KK"

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AFTER RECORDING RETURN TO:

Watumull Properties Corp.
307 Lewers Street, 6th Floor
Honolulu, HI 96815
Attn: Mike Hollinger

Until a change is requested all tax
statements shall be sent to the following
address:

NO CHANGE

Recorded in MULTNOMAH COUNTY, OREGON

C. Swick, Deputy Clerk

A31 2

ATTDS

Total : 26.00

2003-252584

10/22/2003 11:13:07am

Escrow No. 5000-15207-CE
Order No. 50-15207CE

BARGAIN AND SALE DEED - STATUTORY FORM
(INDIVIDUAL or CORPORATION)

WATUMULL PROPERTIES CORP., a Hawaii corporation

Grantor, conveys to NORTH BASIN WATUMULL LLC, an Oregon limited liability company

Grantee, the following described real property:

SEE LEGAL DESCRIPTION ATTACHED HERETO AS EXHIBIT A, WHICH IS MADE A PART HEREOF BY THIS
REFERENCE.

202500

CHICAGO TITLE INSURANCE COMPANY

This instrument will not allow use of the property described in this instrument in violation
of applicable land use laws and regulations. Before signing or accepting this instrument,
the person acquiring fee title to the property should check with the appropriate city or
county planning department to verify approved uses and to determine any limits on lawsuits
against farming or forest practices as defined in ORS 30.930

The true consideration for this conveyance is \$ 0.00
(Here comply with the requirements of ORS 93.030).

Dated October 15, 2003 ; if a corporate grantor, it has caused its name to
be signed by order of its board of directors.

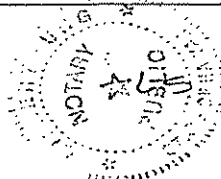
Watumull Properties Corp.

J.D. Watumull
By: J.D. Watumull, Vice Pres.

STATE OF Hawaii County of Honolulu) ss.
This instrument was acknowledged before me on

by J.D. Watumull as Vice President
of Watumull Properties Corp., a Hawaii corporation

Notary Public for Hawaii
My commission expires May 1, 2008



10-22-03

EXHIBIT A

PARCEL I:

A parcel of land located in Section 17, Township 1 North, Range 1 East of the Willamette Meridian, in the County of Multnomah and State of Oregon, described as follows:

BEGINNING at a point on the Southwest right of way line of North Basin Avenue which bears South 89°44'34" West 702.61 feet from the Southeast corner of Section 17, Township 1 North, Range 1 East of the Willamette Meridian; thence along said right of way line the following courses: Northwest 132.98 feet along the arc of a non-tangent curve to the right having a radius of 240.00 feet and a central angle of 31°44'51" to a point which bears North 16°06'55" West, 131.29 feet from the last described point; thence North 00°14'30" West, 314.46 feet; thence Northwest 145.23 feet along the arc of a curve to the left having a radius of 160.00 feet and a central angle of 52°00'30" to a point which bears North 26°14'45" West 140.30 feet from the last described point; thence North 52°15' West, 548.63 feet; thence leaving said right of way line South 37°45' West, 386.76 feet; thence South 52°15' East, 140.00 feet; thence South 37°45' West, 28.24 feet; thence South 52°15' East, 60.00 feet; thence North 37°45' East, 28.24 feet; thence South 52°15' East, 774.33 feet to the point of beginning.

EXCEPTING THEREFROM all minerals, gas, oil and sulphur in that portion of the herein described property lying within that portion conveyed from the State of Oregon to the Port of Portland, a municipal corporation by Deed recorded June 28, 1967 in Book 568, Page 1121.

PARCEL II:

A parcel of land located in Section 17, Township 1 North, Range 1 East of the Willamette Meridian, in the County of Multnomah and State of Oregon, described as follows:

Beginning at a point on the Southwest right-of-way line of North Basin Avenue which bears South 89°44'34" West 702.61 feet from the Southeast corner of Section 17, Township 1 North, Range 1 East of the Willamette Meridian; thence North 52°15'00" West 974.33 feet to the true point of beginning; thence North 07°15'00" West 106.07 feet; thence North 37°45'00" East 311.76 feet to the Southwest right-of-way line of North Basin Avenue; thence South 52°15'00" East along said right-of-way line 75.00 feet; thence South 37°45'00" West 386.76 feet to the true point of beginning.

EXCEPTING THEREFROM all minerals, gas, oil and sulphur in that portion of the herein described property lying within that portion conveyed from the State of Oregon to the Port of Portland, a municipal corporation by Deed recorded June 28, 1967 in Book 568, Page 1121.

10-22-03

Exhibit “LL”

230
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251

After Recording, Return To:

Becker Land LLC
6350 So. 143rd Street
Seattle, WA 98168

Recorded in MULTNOMAH COUNTY, OREGON
C. Swick, Deputy Clerk

F98 46 ATESB
Total : 251.00

Send Tax Statements to:

2005-119464 06/29/2005 03:20:17pm

Becker Land LLC
6350 So. 143rd Street
Seattle, WA 98168
2005-145

SPECIAL WARRANTY DEED WITH RESTRICTIVE COVENANTS

THE PORT OF PORTLAND, a port district of the State of Oregon ("Grantor"), conveys and specially warrants to BECKER LAND, LLC, a Washington limited liability company authorized to do business in Oregon ("Grantee"), the real property described in attached **Exhibit A**, together with all improvements thereon (the "Property"), which Property is located within an area commonly known as the Swan Island Industrial Park, free of encumbrances created or suffered by Grantor, except (a) the general and special exceptions shown in attached **Exhibit B**; (b) the rights of parties to use and maintain storm drainage systems, water systems (including, if any, fire hydrants), sanitary sewer pump station, and a concrete block facility housing a public-use portable toilet and trash receptacle currently existing on the Property; and (c) all covenants set forth below, including without limitation the restrictive covenants ("**Restrictive Covenants**") set forth in Section 1 below. Grantor reserves for itself, its agents, contractors, assigns and its representatives, including governmental agencies, the right to access that portion of the Property as shown in the attached **Exhibit C** and legally described in the attached **Exhibit C1 ("Berth 311 Uplands")** to complete environmental testing and remediation and to implement environmental controls. Grantor reserves for itself, its agents, contractors, assigns and its representatives, including governmental agencies, the right to access that portion of the Property as shown in the attached **Exhibit D** and legally described in the attached **Exhibit D1 ("Natural Resources/Enhancement Mitigation Easement")** to complete natural resource enhancement and mitigation work ("**Natural Resources/Enhancement Mitigation Easement**"). Such natural resources enhancement/mitigation work may include, but is not limited to, removing non-native vegetation currently existing in the Natural Resource Easement Area, replacing it with native plant material and maintaining such native plant material, or performing minor grading to the embankment. Grantor agrees to submit its proposed plans for such natural resources enhancement/mitigation work to Grantee, for Grantee's review and approval, which approval shall not be unreasonably withheld, conditioned or denied, prior to submitting such plan to the applicable governmental agencies or other entities that must pre-approve such work. Except in cases of emergency, such entry shall be made with reasonable advance written notice to Grantee and during normal business hours, when practical, and Grantor shall not unreasonably interfere with the rights and operations of Grantee on the Property. Grantor agrees to vacate the Natural

SD-408808-CE CHICAGO TITLE INSURANCE COMPANY 408808

Resource Easement upon the written request of Grantee or its assigns, made on or after fifteen (15) years from the date of this Deed, subject to the following: (1) if Grantor has not performed any natural resource enhancement or mitigation work in the Natural Resource Easement Area during such fifteen (15) year period, then Grantor shall promptly vacate the Natural Resource Easement upon receipt of the request; and (2) if at the time of the request Grantor has completed such work and is in the process of maintaining such work pursuant to a legal obligation to do so, Grantor shall vacate the Natural Resource Easement at such time as it is no longer under such legal obligation. The parties may also mutually agree to terminate the Natural Resource Easement at any time. Except in cases of emergency, such entry shall be made with reasonable advance written notice to Grantee and during normal business hours and shall not unreasonably interfere with the rights and operations of Grantee on the Property.

The true, actual, and whole consideration for the transfer is Two Million Two Hundred Ninety-Five Thousand and no/100 Dollars (\$2,295,000.00).

This Deed is also subject to all the "**Restrictive Covenants**" set forth herein below which shall remain in full force and effect, as provided by law. All provisions of this Deed, including all Restrictive Covenants, may be enforced by Grantor, its successors, or its assigns either by action at law or by suit in equity. Grantor shall not be responsible or liable to Grantee or to any third parties for enforcement of or for failure to enforce the Restrictive Covenants. Invalidity of any of the Restrictive Covenants shall in no way affect any of the other covenants or provisions which shall remain in full force and effect. All of the Restrictive Covenants and provisions herein expressed shall be held to run with and bind the land conveyed hereby and all of its subsequent owners and occupants.

1. RESTRICTIVE COVENANTS

1.1 Development Standards

The Property is subject to the Revised April, 1994 Swan Island Industrial Park Development Standards and any future revisions and amendments thereafter (hereinafter "**Development Standards**"), attached as **Exhibit E**.

1.2 Use of Property

Use of the Property shall be industrial and in compliance with the Development Standards. No residential or retail use of the Property shall be allowed without Grantor's prior written consent, which may be withheld in Grantor's sole and absolute discretion. In the event the entire Swan Island Industrial Park, including its subsections Mocks Landing Industrial Park and Port Center Industrial Park, as all are more particularly described on the attached **Exhibit F** (collectively referred to as the "**Swan Island Industrial Park Area**,") is rezoned to allow for residential or retail use and the prohibition against residential and retail uses under this Deed unreasonably interferes with Grantee's ability to use or redevelop the Property under such new zoning designation, Grantor agrees to enter into a modification of this restrictive covenant to eliminate such residential or retail use restriction, provided Grantor shall not be responsible for making or paying for any roadway or infrastructure improvements or for any other costs required or desired to accommodate or allow Grantee's proposed new use and Grantee shall defend (using

legal counsel reasonably acceptable to Grantor), indemnify, and hold harmless Grantor from and against and reimburse Grantor for any and all actual or alleged claims, damages, expenses, or costs, fees (including, but not limited to, attorney, accountant, paralegal, expert, and escrow fees) which may be imposed upon, claimed against or incurred or suffered by Grantor by any property owners or lessees in the Swan Island Industrial Park Area or others as a result of Grantor entering into such modification. In addition, no use may be made of the Property, including retail and residential uses, if: (a) the proposed use violates or is inconsistent with the Development Standards; (b) as a result of such proposed use sufficient parking area is not available on the Property to accommodate all parking required for the proposed use; (c) as a result of such proposed use the Property cannot accommodate all truck maneuvering, loading, or parking associated with the proposed use; (d) as a result of such proposed use all outside storage associated with the proposed use is not fully screened from public view from N. Basin Avenue; (e) the proposed use produces or is likely to produce excessive off-site litter, excessive off-site run-off, or off-site tracking of excessive amounts of dirt, waste or debris, all as determined in Grantor's sole discretion; or (f) the proposed use creates (i) a high risk of explosion or exposure to radioactive materials, biological waste, or toxic gases, or (ii) a high risk of Hazardous Substances releases into the ground, air, or water. Notwithstanding anything to the contrary contained in this Section 1.2, the Property may be used for truck terminal operations. As used herein, the term "**Hazardous Substance**" shall be defined to include any and all substances, pollutants or contaminants defined or designated as hazardous, toxic, radioactive, dangerous or regulated wastes or materials or any other similar term in or under any applicable Environmental Law. Hazardous Substance shall also include, but not be limited to, fuels, petroleum and petroleum-derived products. As used herein, "**Environmental Law**" shall be defined to include any and all federal, State of Oregon, regional and local laws, regulations, rules, permit terms, codes, ordinances and guidance documents now or hereafter in effect, as the same may be amended from time to time, and applicable decisional law, which govern materials, substances, regulated wastes, emissions, pollutants, water, storm water, ground water, wellfield and wellhead protection, cultural resources protection, animals or plants, noise, or products and relate to the protection of health, welfare, natural resources, safety or the environment.

1.3 Environmental and Natural Resources Indemnification

Grantee shall defend, indemnify, and hold harmless Grantor from and against all Environmental Claims arising out of, or in connection with, Grantee's occupancy, use, or ownership of the Property, including the acts or omissions of Grantee or Grantee's officers, directors, members, agents, representatives, employees, contractors, invitees, or any other person or entity acting by or on behalf of Grantee. Environmental Claim means a claim, demand, notice or suit under any federal, State of Oregon, regional or local statutes, regulations, rules, codes, and ordinances now or hereafter in effect, as the same may be amended from time to time which in any way relates to the protection of health, safety, welfare, natural resources or the environment regarding materials, substances, wastes, emissions, pollutants, pollution or noise.

1.4 Rail Service

Grantor does not warrant or make any guarantee or representation that the Property is capable of being rail-served, either now or in the future.

1.5 Non-Remonstrance

Grantee agrees to waive any right to remonstrate against, and agrees to support, local improvement districts or similar shared funding mechanisms to fund any future Swan Island Industrial Park projects that benefit the Property, should such mechanisms be used. Grantee and Grantor agree to cooperate in working with the City of Portland, Grantor or other agency with jurisdiction over such improvements, on the determination of benefited properties and the allocation of costs among the benefited properties.

1.6 Common Area Landscape Charge

The Property is subject to and Grantee hereby agrees to pay an annual charge for Grantee's proportionate share of the cost of maintaining public and common areas in the Swan Island Industrial Park ("**Common Areas**"), including, but not limited to, landscaping within the road rights-of-way. Such charges shall reimburse Grantor for all costs incurred and for all such maintenance and shall be calculated by: (1) determining the percentage that this Property represents of the total acreage sold by or leased from Grantor within the area commonly referred to as Swan Island Industrial Park; and (2) multiplying the total cost by this percentage, the product of which shall be the amount charged to the Property. Such Common Area charges are currently due on the first day of August of each year based on all costs incurred by Grantor during the prior fiscal year (the fiscal year currently runs July 1 to June 30). Charges for a portion of a year shall be prorated in any year the Property is sold or acquired. Any unpaid charge for public and Common Area maintenance shall be a lien on the Property, provided that any person or entity purchasing or otherwise dealing with this Property may rely upon a certificate signed by Grantor showing the amount of the charge due. The parties do hereby expressly vest in Grantor, its successors, and assigns the right and power, but not the obligation, to bring all actions against any owner or lessee of any property subject to such Common Area maintenance charge in the Swan Island Industrial Park or any part thereof for the collection of the aforesaid charge and to enforce the aforesaid lien. Grantor shall have the right to maintain the Common Areas, including, but not limited to, installation of irrigation equipment in public roadways and in boulevards, as well as ordinary and extraordinary maintenance, all of which shall be reimbursable costs as stated above.

1.7 Grantor's First Opportunity to Purchase

Grantee, its successors or assigns shall not sell or contract to sell all or any portion of the Property without first giving written notice to Grantor that Grantee is offering the Property for sale and the offering terms and conditions, including price, and, if a third party purchaser has made an offer to Grantee, the use proposed to be made of the Property by such third party. Grantor shall notify Grantee within thirty (30) days after such notice whether or not Grantor is interested in accepting Grantee's offer, subject to completion of Grantor's due diligence of the Property and approval of the Port of Portland Commission (the "**Grantor's First Notice**"). Within sixty (60) days of Grantor's First Notice, Grantor shall give notice to Grantee of completion of its due diligence, Port of Portland Commission action, if any, and its acceptance or rejection of Grantee's offer. If Grantor does not accept Grantee's offer by written notice to Grantee within such sixty (60) day time period, Grantee is free to sell the Property to others provided the selling price is no less than ninety-five percent (95%) of the price offered to Grantor, the terms and conditions are no less stringent in any material respect than those offered

to Grantor, and the use to be made by such others is not different from the use proposed by the original third party offeree, if any. If the Property is not sold to a third party purchaser based on the original offer (but no less than 95% of such offer) within twelve (12) months from Grantor's written notice to Grantee of its waiver or intent not to purchase the Property as provided in this paragraph, the Property cannot thereafter be sold without again offering the Property to Grantor as provided above. Additionally, if Grantee is willing to sell the Property at a lower price and/or on terms and conditions less stringent than the original offer, Grantee must first offer such price and terms to Grantor before selling the Property to another purchaser. Grantor shall have the same time frames to respond to such new offer as it did for the original price and terms. Any waiver of this provision shall not be deemed a waiver of future rights under this provision. Grantor will cooperate with Grantee in determining the closing date for the purchase of the Property to allow Grantee to accommodate and effect an Internal Revenue Code Section 1031 deferred tax exchange, which will be at no additional expense to Grantor, provided that closing shall occur no later than nine (9) months from the Grantor's notice to Grantee of its intent to purchase the Property.

1.8 No Water Rights

No water rights are intended to be transferred to Grantee by this Deed. If any water certificate, water permit or other water right is appurtenant to the Property, Grantee shall cooperate with Grantor to cause the water right to be modified to exclude the Property as a benefited property. Grantor reserves the right for itself, its successors, and its assigns upon prior written notice to Grantee to access and use the Property for the purpose of constructing, installing, maintaining, repairing, operating, replacing and removing new or existing utilities and facilities related to the operation or use of Grantor's water rights, provided that Grantor shall use reasonable efforts not to interfere with Grantee's or its successor's or assignee's operations on the Property. Grantee, its successors and its assigns agree to cooperate with Grantor during Grantor's exercise of the rights reserved hereunder and agree to execute any documents reasonably requested by Grantor related to the granting of any such access, use rights, or easements.

2. NOTICES

Any notices required to be sent to Grantor pursuant to this Deed shall be sent to Grantor at the following address:

The Port of Portland
P.O. Box 3529
Portland, OR 97208
Attention: Legal Department

Unless Grantee designates another address for notice by notice given pursuant to this section, any notices required to be sent to Grantee under the terms of this Deed shall be sent to Grantee at the following address:

Becker Land LLC
6350 So. 143rd Street
Seattle, WA 98168

3. SEVERABILITY

If any provision of this Deed is held to be invalid or unenforceable, the remainder of this Deed, or the application of such provision to persons or circumstances other than those to which it is held invalid or unenforceable, shall not be affected thereby, and each provision of this Deed shall be valid and enforceable to the fullest extent permitted by law. If any provision of this Deed is found to be generally unenforceable but is partially enforceable, then the provision shall be automatically amended so that it may be enforced to the fullest extent allowed by law.

4. LAND USE DISCLAIMER

THIS INSTRUMENT WILL NOT ALLOW USE OF THE PROPERTY DESCRIBED IN THIS INSTRUMENT IN VIOLATION OF APPLICABLE LAND USE LAWS AND REGULATIONS. BEFORE SIGNING OR ACCEPTING THIS INSTRUMENT, THE PERSON ACQUIRING FEE TITLE TO THE PROPERTY SHOULD CHECK WITH THE APPROPRIATE CITY OR COUNTY PLANNING DEPARTMENT TO VERIFY APPROVED USES AND TO DETERMINE ANY LIMITS ON LAWSUITS AGAINST FARMING OR FOREST PRACTICES AS DEFINED IN ORS 30.930.

IN WITNESS HEREOF, Grantor has caused this Deed to be executed this 28 day of June, 2005.

THE PORT OF PORTLAND, a port district of
the state of Oregon

By: [Signature]

Name: Bill Wyatt

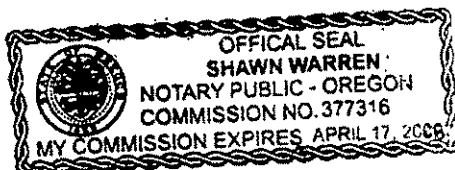
Title: Executive Director

STATE OF OREGON)

) ss

County of Multnomah)

This instrument was acknowledged before me on June 28, 2005, by Bill Wyatt, as Executive Director of The Port of Portland, a port district of the State of Oregon.



[Signature]
Notary Public for Oregon

My Commission Expires: April 17, 2008

EXHIBIT A

LEGAL DESCRIPTION

PARCEL I:

A TRACT OF LAND SITUATED IN THE SOUTHEAST ONE QUARTER OF SECTION 17, TOWNSHIP 1 NORTH, RANGE 1 EAST, WILLAMETTE MERIDIAN, CITY OF PORTLAND, MULTNOMAH COUNTY, OREGON, BEING FURTHER DESCRIBED AS FOLLOWS:

COMMENCING AT A 4-INCH DIAMETER BRASS DISC IN CONCRETE INSIDE A MONUMENT BOX AT THE SOUTHEAST QUARTER OF SAID SECTION 17; THENCE NORTH 54°56'48" WEST, 979.59 FEET TO THE SOUTHWESTERLY RIGHT OF WAY LINE OF NORTH BASIN AVENUE (40.00 FEET FROM CENTERLINE) AT ENGINEERS STATION P.T. 6+77.70; THENCE, ALONG SAID RIGHT OF WAY LINE, NORTH 52°15'00" WEST, 623.09 FEET TO THE NORTHERLY CORNER OF THAT TRACT OF LAND DESCRIBED IN DEED TO WATUMULL BROTHERS LTD., RECORDED MAY 16, 1996 IN FEE No.96-73916, MULTNOMAH COUNTY DEED RECORDS AND THE TRUE POINT OF BEGINNING; THENCE, ALONG THE WESTERLY LINE OF SAID WATUMULL TRACT, SOUTH 37°45'00" WEST, 311.76 FEET; THENCE, CONTINUING ALONG SAID TRACT, SOUTH 07°15'00" EAST, 106.07 FEET; THENCE, DEPARTING SAID TRACT, SOUTH 37°45'00" WEST, 73.30 FEET TO THE ORDINARY HIGH WATERLINE OF THE SWAN ISLAND LAGOON; THENCE, ALONG THE SAID ORDINARY HIGH WATERLINE THE FOLLOWING ELEVEN (11) COURSES: 1) NORTH 49°38'18" WEST, 167.99 FEET; 2) THENCE NORTH 61°02'16" WEST, 39.12 FEET; 3) THENCE NORTH 16°32'12" EAST, 14.39 FEET; 4) THENCE NORTH 16°17'22" WEST, 13.20 FEET; 5) THENCE NORTH 38°58'32" WEST, 24.02 FEET; 6) THENCE NORTH 46°06'38" WEST, 150.01 FEET; 7) THENCE NORTH 38°24'16" WEST, 27.13 FEET; 8) THENCE NORTH 64°40'04" WEST, 68.63 FEET; 9) THENCE NORTH 43°56'49" WEST, 25.07 FEET; 10) THENCE NORTH 55°43'59" WEST, 114.59 FEET; 11) THENCE 58°36'34" WEST, 103.21 FEET TO THE SOUTHEASTERLY LINE OF THAT TRACT OF LAND DESCRIBED IN DEED TO ATC LEASING COMPANY LLC, RECORDED SEPTEMBER 30, 1999, IN DEED FEE NUMBER 99183626; THENCE, DEPARTING SAID ORDINARY HIGH WATERLINE AND RUNNING ALONG THE SOUTHEASTERLY LINE OF SAID ATC TRACT, NORTH 37°45'00" EAST, 475.88 FEET TO A POINT OF NON-TANGENCY ON THE WESTERLY RIGHT OF WAY LINE OF NORTH BASIN AVENUE (40.00 FEET FROM CENTERLINE); THENCE 128.32 FEET ALONG THE ARC OF A 215.00-FOOT RADIUS CURVE TO THE LEFT, CONCAVE TO THE NORTHEAST, THROUGH A CENTRAL ANGLE OF 34°11'51" (THE LONG CHORD BEARS SOUTH 35°09'05" EAST, 126.43 FEET) TO THE POINT OF TANGENCY AT ENGINEERS STATION 18+35.50; THENCE, CONTINUING ALONG SAID RIGHT OF WAY LINE, SOUTH 52°15'00" EAST, 534.17 FEET TO THE POINT OF BEGINNING, CONTAINING 291,968 SQUARE FEET (6.70 ACRES) MORE OR LESS.

THE BEARINGS IN THIS DESCRIPTION ARE BASED UPON MULTNOMAH COUNTY SURVEYOR'S SURVEY NUMBER 44857.

EXCEPTING THEREFROM ALL MINERALS, GAS, OIL AND SULPHUR IN THAT PORTION OF THE HEREIN DESCRIBED PROPERTY LYING WITHIN THAT PORTION CONVEYED FROM THE STATE OF OREGON TO THE PORT OF PORTLAND, A MUNICIPAL

CORPORATION BY DEED RECORDED JUNE 28, 1967 IN BOOK 568, PAGE 1121, DEED RECORDS OF MULTNOMAH COUNTY.

PARCEL II:

A TRACT OF LAND SITUATED IN THE SOUTHEAST ONE-QUARTER OF SECTION 17, TOWNSHIP 1 NORTH, RANGE 1 EAST, WILLAMETTE MERIDIAN, CITY OF PORTLAND, MULTNOMAH, OREGON, BEING FURTHER DESCRIBED AS FOLLOWS:

COMMENCING AT A 4-INCH DIAMETER BRASS DISC IN CONCRETE INSIDE A MONUMENT BOX AT THE SOUTHEAST ONE-QUARTER OF SAID SECTION 17; THENCE, ALONG THE SOUTH LINE OF SAID SECTION 17, SOUTH 89°44'34" WEST, 702.51 FEET TO THE SOUTHWESTERLY RIGHT OF WAY LINE OF NORTH BASIN AVENUE (40.00 FEET FROM CENTERLINE) AND THE SOUTHERLY CORNER OF THAT TRACT OF LAND DESCRIBED IN DEED TO WATUMULL PROPERTIES, CORPORATION, RECORDED NOVEMBER 10, 1993 IN BOOK 2781, PAGE 4035, MULTNOMAH COUNTY DEED RECORDS AND THE TRUE POINT OF BEGINNING; THENCE, CONTINUING ALONG SAID SOUTHERLY SECTION LINE, SOUTH 89°44'34" WEST, 139.10 FEET TO A POINT ON THE ORDINARY HIGH WATERLINE OF THE SWAN ISLAND LAGOON; THENCE, DEPARTING SAID SECTION LINE AND RUNNING ALONG SAID ORDINARY HIGH WATERLINE THE FOLLOWING TEN (10) COURSES: 1) NORTH 11°00'19" WEST, 53.49 FEET; 2) THENCE NORTH 46°55'36" WEST, 41.73 FEET; 3) THENCE NORTH 58°27'35" WEST, 157.56 FEET; 4) THENCE NORTH 52°14'35" WEST, 76.41 FEET; 5) THENCE NORTH 49°37'43" WEST, 177.86 FEET; 6) THENCE NORTH 52°17'22" WEST, 127.78 FEET; 7) THENCE NORTH 86°19'35" WEST, 64.81 FEET; 8) THENCE NORTH 47°08'31" WEST, 104.50 FEET; 9) THENCE NORTH 55°17'16" WEST, 35.26 FEET; 10) THENCE NORTH 40°06'12" WEST, 51.37 FEET; THENCE, DEPARTING SAID ORDINARY HIGH WATERLINE, NORTH 37°45'00" EAST, 73.30 FEET TO THE WESTERLY CORNER OF SAID WATUMULL TRACT; THENCE, ALONG THE SOUTHWESTERLY LINE OF SAID WATUMULL TRACT THE FOLLOWING FIVE (5) COURSES: 1) SOUTH 52°15'15" EAST, 140.00 FEET; 2) THENCE SOUTH 37°45'00" WEST, 28.24 FEET; 3) THENCE SOUTH 52°15'00" EAST, 60.00 FEET; 4) THENCE NORTH 37°45'00" EAST, 28.24 FEET; 5) THENCE SOUTH 52°16'09" EAST, 773.06 FEET TO THE POINT OF BEGINNING, CONTAINING 58,662 SQUARE FEET (1.35 ACRES) MORE OR LESS.

THE BEARINGS IN THIS DESCRIPTION ARE BASED UPON MULTNOMAH COUNTY SURVEYOR'S SURVEY NUMBER 44857.

EXCEPTING THEREFROM ALL MINERALS, GAS, OIL AND SULPHUR IN THAT PORTION OF THE HEREIN DESCRIBED PROPERTY LYING WITHIN THAT PORTION CONVEYED FROM THE STATE OF OREGON TO THE PORT OF PORTLAND, A MUNICIPAL CORPORATION BY DEED RECORDED JUNE 28, 1967 IN BOOK 568, PAGE 1121, DEED RECORDS OF MULTNOMAH COUNTY.

EXHIBIT B

TITLE EXCEPTIONS

1. a. Taxes or assessments which are not shown as existing liens by the records of any taxing authority that levies taxes or assessments on real property or by the public records.
b. Proceedings by a public agency which may result in taxes or assessments, or notices of such proceedings, whether or not shown by the records of such agency or by the public records.
2. a. Easements, liens, encumbrances, interests or claims thereof which are not shown by the public records.
b. Any Facts, rights, interests or claims which are not shown by the public records but which could be ascertained by an inspection of the land or by making inquiry of persons in possession thereof.
3. Discrepancies, conflicts in boundary lines, shortage in area, encroachments, or any other facts which a correct survey would disclose, and which are not shown by the public records.
4. a. Unpatented mining claims;
b. Reservations or exceptions in patents or in Acts authorizing the issuance thereof;
c. Water rights, claims or title to water;
Whether or not the matters excepted under (a), (b), or (c) are shown by the public records.
5. Any lien or right to a lien, for service, labor or material heretofore or hereafter furnished, imposed by law and not shown by the public records.

6. Taxes, including the current fiscal year, not assessed because of Port of Portland and Tri-Met Exemption. If the exempt status is terminated under the statute prior to the date on which the assessment roll becomes the tax roll in the year in which said taxes were assessed, an additional tax may be levied.

Levy Code: 001
Property ID No.: R315634
Alternate Account No.: R941170600
Map No.: 1N1E17DC
Tax Lot No.: 00200
(Affects Parcel I)

7. Taxes, including the current fiscal year, not assessed because of Port of Portland and Tri-Met Exemption. If the exempt status is terminated under the statute prior to the date on which the assessment roll becomes the tax roll in the year in which said taxes were assessed, an additional tax may be levied.

Levy Code: 001
Property ID No.: R315633
Alternate Account No.: R941170590
Map No.: 1N1E17DC
Tax Lot No.: 01900
(Affects a portion of Parcel II)

8. Taxes, including the current fiscal year, not assessed because of Port of Portland and Tri-Met Exemption. If the exempt status is terminated under the statute prior to the date on which the assessment roll becomes the tax roll in the year in which said taxes were assessed, an additional tax may be levied.

Levy Code: 001
Property ID No.: R315723
Alternate Account No.: R941171240
Map No.: 1N1E17DC
Tax Lot No.: 02000
(Affects a portion of Parcel II)

9. Rights of the public and of governmental bodies in and to that portion of the premises herein described lying below the high water mark of the Swan Island Lagoon.

10. Any adverse claims based upon the assertion that Swan Island Lagoon has changed in location.

11. Any adverse claim based on the assertion that any portion of said land has been created by artificial means or has accreted to such portions so created.

12. Rights established pursuant to ORS 274.905, et seq to all or any portion of the herein described premises created by artificial means.

13. Covenants, conditions and restrictions, but omitting covenants or restrictions if any, based on race, color, religion, sex, sexual orientation, familial status, disability, handicap, national origin, ancestry, or source of income, as set forth in applicable state or federal laws, except to the extent that said covenant or restriction is permitted by applicable law, imposed by instrument, including the terms and provisions thereof.

Recorded: May 11, 1959
Book: 1954 Page: 336
(Affects a portion of Parcel I)

14. An easement created by instrument, including terms and provisions thereof;

Dated: November 12, 1959
Recorded: January 4, 1960
Book: 1990 Page: 280
In Favor of: City of Portland, a municipal corporation of the State of Oregon
For: Sewer
Affects: 30 foot strip through the Northwesterly portion of Parcel I

15. An easement created by instrument, including terms and provisions thereof;

Dated: January 29, 1960
Recorded: February 29, 1960
Book: 1997 Page: 461
In Favor of: The City of Portland, a municipal corporation of the State of Oregon
For: Sewer
Affects: South 10 feet of Parcel II

16. Covenants, conditions and restrictions, but omitting covenants or restrictions if any, based on race, color, religion, sex, sexual orientation, familial status, disability, handicap, national origin, ancestry, or source of income, as set forth in applicable state or federal laws, except to the extent that said covenant or restriction is permitted by applicable law, imposed by instrument, including the terms and provisions thereof.

Recorded: April 27, 1960

Book: 2006 Page: 384

(Affects a portion of Parcel I)

17. Covenants, conditions and restrictions, but omitting covenants or restrictions if any, based on race, color, religion, sex, sexual orientation, familial status, disability, handicap, national origin, ancestry, or source of income, as set forth in applicable state or federal laws, except to the extent that said covenant or restriction is permitted by applicable law, imposed by instrument, including the terms and provisions thereof.

Recorded: March 30, 1961

Book: 2054 Page: 663

(Affects a portion of Parcel I)

18. Easement for ingress and egress above and below the surface of the land as implied by reservation of mineral rights in deed;

Dated: June 20, 1967

Recorded: June 28, 1967

Book: 568 Page: 1121

From: The State of Oregon

19. Covenants, conditions, restrictions and easements, but omitting covenants or restrictions, if any, based on race, color, religion, sex, sexual orientation, familial status, marital status, disability, handicap, national origin, ancestry, or source of income, as set forth in applicable state or federal laws, except to the extent that said covenant or restriction is permitted by applicable law, as contained in Deed.

Recorded: June 28, 1967

Book: 568 Page: 1121

20. Covenants, conditions, restrictions and easements, but omitting covenants or restrictions, if any, based on race, color, religion, sex, sexual orientation, familial status, marital status, disability, handicap, national origin, ancestry, or source of income, as set forth in applicable state or federal laws, except to the extent that said covenant or restriction is permitted by applicable law, as contained in Deed.

Recorded: October 14, 1968

Book: 645 Page: 184

(Affects Parcel II)

21. Covenants, conditions, restrictions and easements, but omitting covenants or restrictions, if any, based on race, color, religion, sex, sexual orientation, familial status, marital status, disability, handicap, national origin, ancestry, or source of income, as set forth in applicable state or federal laws, except to the extent that said covenant or restriction is permitted by applicable law, as contained in CU 73-86/GO 9-86.

Recorded: September 24, 1986

Book: 1940 Page: 1260

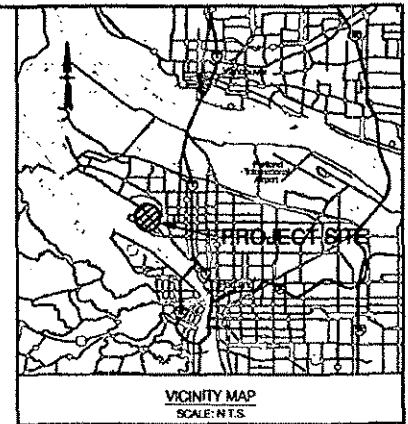
22. An easement created by instrument, including terms and provisions thereof;
Dated: November 6, 1987
Recorded: April 25, 1988
Book: 2097 Page: 1304
In Favor of: Pacific Northwest Bell Telephone Company, a Washington corporation
For: Underground communication line or lines
Affects: The most Easterly portion of Parcel II
23. An easement created by instrument, including terms and provisions thereof;
Dated: April 18, 1991
Recorded: June 27, 1991
Book: 2428 Page: 2029
In Favor of: Pacific Northwest Bell Telephone Company, a Washington corporation
For: Underground communication facilities, conduit, underground controlled environmental vault and above ground cabinets
Affects: The Southeasterly portion of Parcel II
24. An easement created by instrument, including terms and provisions thereof;
Dated: October 23, 1991
Recorded: December 13, 1991
Book: 2486 Page: 1668
In Favor of: U S West Communications, Inc., a Colorado corporation
For: Telecommunications facilities
Southeasterly portion of Parcel II
25. The premises herein described were included within the boundaries of the Willamette Industrial Urban Renewal Plan as revealed by instrument.
Recorded: December 7, 2004
Recorder's Fee No.: 2004-221390
26. The premises herein described were included within the boundaries of the Willamette Industrial Urban Renewal Plan as revealed by instrument.
Recorded: December 7, 2004
Recorder's Fee No.: 2004-221390
- First Amendment to the Willamette Industrial Urban Renewal Plan;
Recorded: February 25, 2005
Recorder's Fee No.: 2005-032682
27. Any encroachments, unrecorded easements, violations of covenants, conditions and restrictions, and any other matters which would be disclosed by a correct survey.
28. Unrecorded Lease, including the terms and provisions thereof, and such other exceptions as may appear necessary upon the recording thereof;
Lessee: Becker Trucking, Inc. and its subtenants thereof

**SWAN ISLAND BERTH 311- TRUCK TERMINAL
BERTH 311 UPLANDS AREA
LEGAL DESCRIPTION**

A TRACT OF LAND SITUATED IN THE SOUTHEAST ONE-QUARTER OF SECTION 17, TOWNSHIP 1 NORTH, RANGE 1 EAST, WILLAMETTE MERIDIAN, CITY OF PORTLAND, MULTNOMAH COUNTY, OREGON BEING FURTHER DESCRIBED AS FOLLOWS:

COMMENCING AT THE SOUTHEAST CORNER OF SAID SECTION 17; THENCE, ALONG THE SOUTHERLY LINE OF SAID SECTION 17, SOUTH 89°44'34" WEST, 702.51 FEET TO THE WESTERLY RIGHT OF WAY LINE OF NORTH BASIN AVENUE (40.00 FEET FROM CENTERLINE); THENCE SOUTH 52°16'09" EAST, 973.06 FEET TO THE WESTERLY CORNER OF THAT TRACT OF LAND DESCRIBED IN DEED TO WATUMULL PROPERTIES, CORPORATION, RECORDED NOVEMBER 10, 1993 IN DEED BOOK 2781, PAGE 4035, MULTNOMAH COUNTY DEED RECORDS AND THE TRUE POINT OF BEGINNING; THENCE, ALONG THE SOUTHWESTERLY EXTENSION OF THE NORTHWESTERLY LINE OF SAID WATUMULL TRACT, SOUTH 37°45'00" WEST, 73.30 FEET TO A POINT ON THE ORDINARY HIGH WATERLINE (ESTABLISHED AT ELEVATION 17.0 PER THE NATIONAL GEODETICAL VERTICAL DATUM OF 1929/1947 ADJUSTED); THENCE, ALONG SAID ORDINARY HIGH WATERLINE, NORTH 49°38'18" WEST, 134.64 FEET; THENCE, DEPARTING SAID ORDINARY HIGH WATERLINE, NORTH 37°50'06" EAST, 453.93 FEET TO THE WESTERLY RIGHT OF WAY LINE OF NORTH BASIN AVENUE (40.00 FEET FROM CENTERLINE); THENCE, ALONG SAID RIGHT OF WAY LINE, SOUTH 52°15'00" EAST, 58.73 FEET TO THE MOST NORTHERLY CORNER OF THAT TRACT OF LAND DESCRIBED IN DEED TO THE WATUMULL BROTHERS Ltd, DEED FEE #96-73916, RECORDED MAY 16, 1996, MULTNOMAH COUNTY DEED RECORDS; THENCE, ALONG THE NORTHWESTERLY LINE THEREOF, SOUTH 37°45'00" WEST, 311.76 FEET TO THE WESTERLY CORNER THEREOF; THENCE SOUTH 07°15'00" EAST, 106.07 FEET TO THE POINT OF BEGINNING, CONTAINING 0.806 ACRES MORE OR LESS.

THE BEARINGS IN THIS DESCRIPTION ARE BASED UPON MULTNOMAH COUNTY SURVEYORS MAP No. 44857.

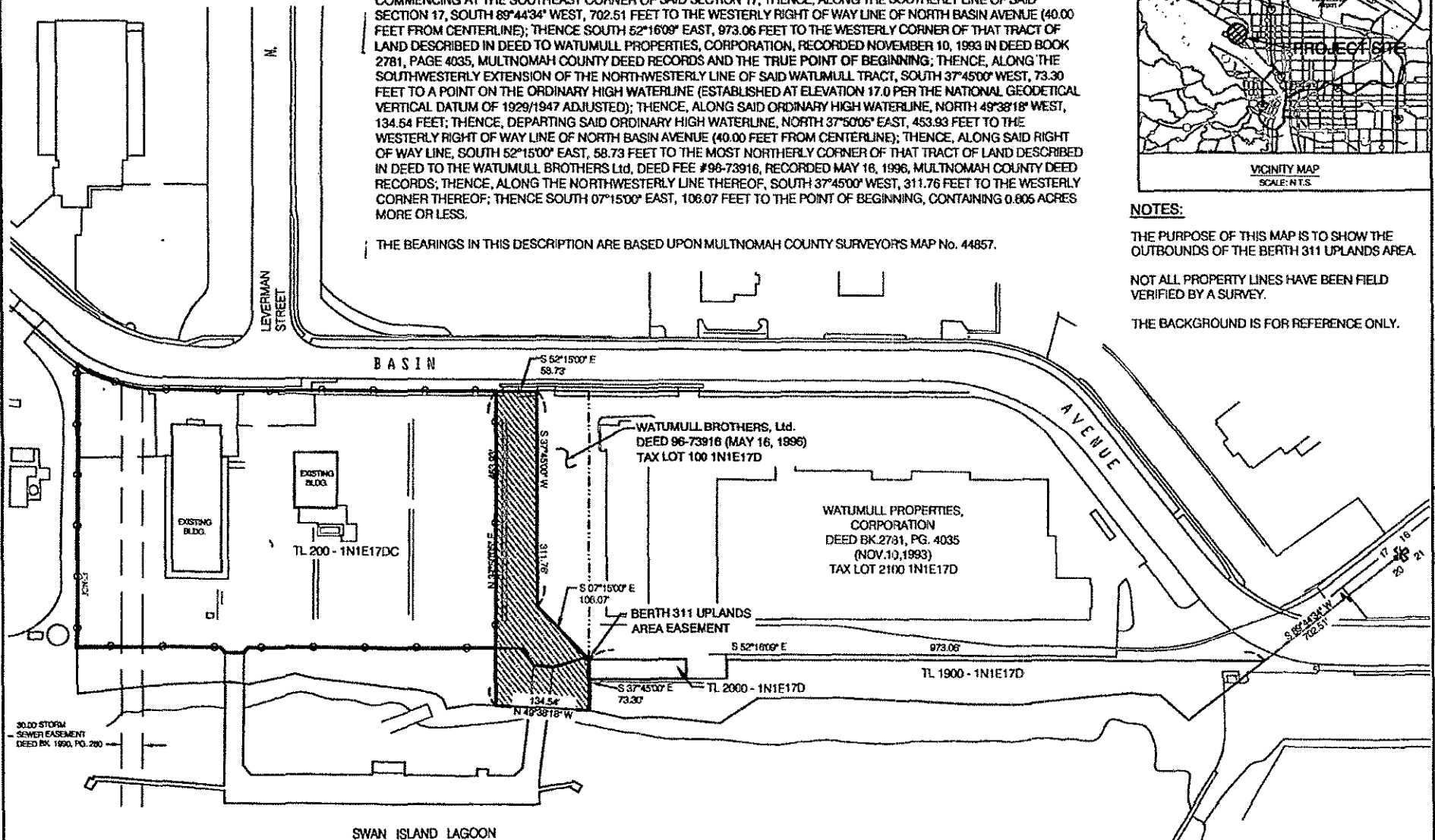


NOTES:

THE PURPOSE OF THIS MAP IS TO SHOW THE OUTBOUNDS OF THE BERTH 311 UPLANDS AREA.

NOT ALL PROPERTY LINES HAVE BEEN FIELD VERIFIED BY A SURVEY.

THE BACKGROUND IS FOR REFERENCE ONLY.



					PORT OF PORTLAND PORTLAND, OREGON		REGISTERED PROFESSIONAL LAND SURVEYOR OREGON CHRISTOPHER VANDERWERF 2719 SIGNED: 6/13/2006 EXP: 6/30/2008		DESIGNED BY: _____ DRAWN BY: C. VANDERWERF CHECKED BY: C. WILEY DATE: JUNE 2005 SCALE: 1" = 100'		SWAN ISLAND BERTH 311 - TRUCK TERMINAL BERTH 311 UPLANDS AREA	
NO.	DATE	BY	REVISIONS	CHD	APPD	2005UGEN DESIGN NUMBER	1111 PROJECT NUMBER	SUBMITTED BY: PAULA MIRANDA CONTRACTING ENGINEER	TYPE: EP	DRAWING NO: SI 2005-6	1/1 (SU-1)	

Exhibit C

EXHIBIT C1

BERTH 311 UPLANDS LEGAL DESCRIPTION

A TRACT OF LAND SITUATED IN THE SOUTHEAST ONE-QUARTER OF SECTION 17, TOWNSHIP 1 NORTH, RANGE 1 EAST, WILLAMETTE MERIDIAN, CITY OF PORTLAND, MULTNOMAH COUNTY, OREGON BEING FURTHER DESCRIBED AS FOLLOWS:

COMMENCING AT THE SOUTHEAST CORNER OF SAID SECTION 17; THENCE, ALONG THE SOUTHERLY LINE OF SAID SECTION 17, SOUTH 89°44'34" WEST, 702.51 FEET TO THE WESTERLY RIGHT OF WAY LINE OF NORTH BASIN AVENUE (40.00 FEET FROM CENTERLINE); THENCE SOUTH 52°16'09" EAST, 973.06 FEET TO THE WESTERLY CORNER OF THAT TRACT OF LAND DESCRIBED IN DEED TO WATUMULL PROPERTIES, CORPORATION, RECORDED NOVEMBER 10, 1993 IN DEED BOOK 2781, PAGE 4035, MULTNOMAH COUNTY DEED RECORDS AND THE TRUE POINT OF BEGINNING; THENCE, ALONG THE SOUTHWESTERLY EXTENSION OF THE NORTHWESTERLY LINE OF SAID WATUMULL TRACT, SOUTH 37°45'00" WEST, 73.30 FEET TO A POINT ON THE ORDINARY HIGH WATERLINE (ESTABLISHED AT ELEVATION 17.0 PER THE NATIONAL GEODETICAL VERTICAL DATUM OF 1929/1947 ADJUSTED); THENCE, ALONG SAID ORDINARY HIGH WATERLINE, NORTH 49°38'18" WEST, 134.54 FEET; THENCE, DEPARTING SAID ORDINARY HIGH WATERLINE, NORTH 37°50'05" EAST, 453.93 FEET TO THE WESTERLY RIGHT OF WAY LINE OF NORTH BASIN AVENUE (40.00 FEET FROM CENTERLINE); THENCE, ALONG SAID RIGHT OF WAY LINE, SOUTH 52°15'00" EAST, 58.73 FEET TO THE MOST NORTHERLY CORNER OF THAT TRACT OF LAND DESCRIBED IN DEED TO THE WATUMULL BROTHERS Ltd, DEED FEE #96-73916, RECORDED MAY 16, 1996, MULTNOMAH COUNTY DEED RECORDS; THENCE, ALONG THE NORTHWESTERLY LINE THEREOF, SOUTH 37°45'00" WEST, 311.76 FEET TO THE WESTERLY CORNER THEREOF; THENCE SOUTH 07°15'00" EAST, 106.07 FEET TO THE POINT OF BEGINNING, CONTAINING 0.805 ACRES MORE OR LESS.

THE BEARINGS IN THIS DESCRIPTION ARE BASED UPON MULTNOMAH COUNTY SURVEYOR'S MAP No. 44857.

A TRACT OF LAND SITUATED IN THE SOUTHEAST ONE-QUARTER OF SECTION 17, TOWNSHIP 1 NORTH, RANGE 1 EAST, WILLAMETTE MERIDIAN, CITY OF PORTLAND, MULTNOMAH COUNTY, OREGON BEING FURTHER DESCRIBED AS FOLLOWS:

COMMENCING AT THE SOUTH-EAST CORNER OF SAID SECTION 17, THENCE, ALONG THE SOUTHERLY LINE OF SAID SECTION 17, SOUTH 89°44'34" WEST, 102.81 FEET TO THE WESTERLY RYOF OF WAY LINE OF NORTH BASIN AVENUE (40.00 FEET FROM CENTERLINE) AND THE TRUE POINT OF BEGINNING; THENCE, CONTINUING ALONG SAID SECTION LINE, SOUTH 89°49'34" WEST, 136.10 FEET TO A POINT ON THE ORDINARY HIGH WATERLINE (ESTABLISHED AT ELEVATION 17.0 FEET PER THE NATIONAL GEODETICAL VERTICAL DATUM OF 1929/1947 ADJUSTED); THENCE, ALONG SAID ORDINARY HIGH WATERLINE THE FOLLOWING TWENTY-ONE (21) COURSES: 1) NORTH 11°00'19" WEST, 53.49 FEET; 2) THENCE NORTH 46°56'58" WEST, AT 71.93 FEET; 3) THENCE NORTH 88°27'52" WEST, 10.00 FEET; 4) THENCE NORTH 17°58'12" WEST, 17.89 FEET; 5) THENCE NORTH 17°58'12" WEST, 17.89 FEET; 6) THENCE NORTH 17°58'12" WEST, 17.89 FEET; 7) THENCE NORTH 17°58'12" WEST, 17.89 FEET; 8) THENCE NORTH 17°58'12" WEST, 17.89 FEET; 9) THENCE NORTH 17°58'12" WEST, 17.89 FEET; 10) THENCE NORTH 17°58'12" WEST, 17.89 FEET; 11) THENCE NORTH 40°58'18" WEST, 16.00 FEET; 12) THENCE NORTH 61°00'18" WEST, 16.00 FEET; 13) THENCE NORTH 19°32'12" EAST, 14.30 FEET; 14) THENCE NORTH 16°17'22" WEST, 13.30 FEET; 15) THENCE NORTH 38°58'32" WEST, 24.02 FEET; 16) NORTH 46°08'58" WEST, 15.00 FEET; 17) THENCE NORTH 30°18'18" WEST, 27.13 FEET; 18) THENCE NORTH 64°40'04" WEST, 66.63 FEET; 19) THENCE NORTH 43°56'48" WEST, 26.07 FEET; 20) THENCE NORTH 60°45'58" WEST, 114.84 FEET; 21) THENCE NORTH 68°36'54" WEST, 103.21 FEET TO THE SOUTHEASTERLY LINE OF THAT TRACT OF LAND DESCRIBED IN DEED TO WATNUMILL PROPERTIES, CORPORATION, RECORDED NOVEMBER 10, 1989 IN MAP BOOK 2781, PAGE 4036, MULTICOM COUNTY DEED RECORDS; THENCE, DEPARTING SAID WATNUMILL TRACT, SOUTH 37°49'09" WEST, 65.74 FEET; THENCE SOUTH 52°11'09" EAST, 202.63 FEET; THENCE SOUTH 01°56'38" EAST, 0.16 FEET; THENCE SOUTH 51°52'49" EAST, 26.01 FEET; THENCE NORTH 76°22'01" EAST, 0.47 FEET; THENCE SOUTH 52°33'00" EAST, 332.00 FEET; THENCE SOUTH 02°24'55" WEST, 30.01 FEET; THENCE SOUTH 45°30'21" EAST, 26.46 FEET; THENCE SOUTH 68°49'18" EAST, 45.25 FEET; THENCE SOUTH 44°17'38" EAST, 0.00 FEET TO THE NORTHERLY CORNER OF THAT TRACT OF LAND DESCRIBED IN DEED TO WATNUMILL PROPERTIES, CORPORATION, RECORDED NOVEMBER 10, 1989 IN MAP BOOK 2781, PAGE 4036, MULTICOM COUNTY DEED RECORDS; THENCE, DEPARTING SAID WATNUMILL TRACT, SOUTH 37°49'09" WEST, 65.74 FEET; THENCE SOUTH 52°11'09" EAST, 202.63 FEET; THENCE SOUTH 01°56'38" EAST, 0.16 FEET; THENCE SOUTH 51°52'49" EAST, 26.01 FEET; THENCE NORTH 76°22'01" EAST, 0.47 FEET; THENCE SOUTH 52°33'00" EAST, 332.00 FEET; THENCE SOUTH 02°24'55" WEST, 30.01 FEET; THENCE SOUTH 45°30'21" EAST, 26.46 FEET TO THE POINT OF BEGINNING, CONTAINING A 2.06 ACRE PARCEL OF LESS.

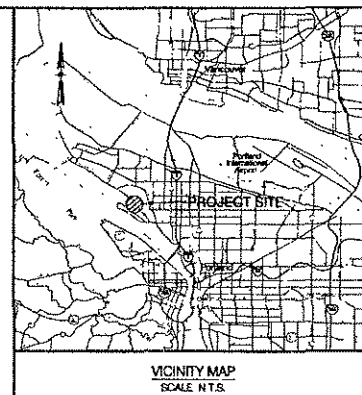
THE BEARINGS IN THIS DESCRIPTION ARE BASED UPON MULTNOMAH COUNTY SURVEYOR'S MAP No. 44867.

TOGETHER WITH A TRACT OF LAND FOR EGRESS AND INGRESS PURPOSE ONLY, BEING DESCRIBED AS FOLLOWS:

A TRACT OF LAND SITUATED IN THE SOUTHEAST ONE-QUARTER OF SECTION 17, TOWNSHIP 1 NORTH, RANGE 1 EAST, WILLAMETTE MERIDIAN, CITY OF PORTLAND, MULTNOMAH COUNTY, OREGON BEING FURTHER DESCRIBED AS FOLLOWS:

COMMENCING AT THE SOUTHEAST CORNER OF SAID SECTION 17; THENCE, ALONG THE SOUTHERLY LINE OF SAID SECTION 17, SOUTH 89°44'54" WEST, 702.51 FEET TO THE WESTERLY RIGHT OF WAY LINE OF NORTH BASIN AVENUE (40.00 FEET FROM CENTERLINE); THENCE SOUTH 52°16'09" WEST, 973.06 FEET TO THE WESTERLY CORNER OF THAT TRACT OF LAND DESCRIBED IN DEED TO WATUMALL PROPERTIES, CORPORATION, RECORDED NOVEMBER 10, 1980 IN DEED BOOK 2781, PAGE 4038, MULTNOMAH COUNTY DEED RECORDS AND THE TRUE POINT OF BEGINNING; THENCE, ALONG THE NORTHEASTERLY LINE OF THE NATURAL RESOURCES ENHANCEMENT - MITIGATION EASEMENT, NORTH 44°13'02" WEST, 9.06 FEET; THENCE, NORTH 89°44'13" WEST, 45.25 FEET; THENCE NORTH 46°30'21" WEST, 26.46 FEET; THENCE NORTH 02°23'09" EAST, 30.01 FEET; THENCE NORTH 52°13'00" WEST, 38.18 FEET; THENCE, DEPARTING SAID NATURAL RESOURCES LINE, NORTH 37°50'05" EAST, 371.26 FEET TO THE WESTERLY RIGHT OF WAY LINE OF NORTH BASIN AVENUE (40.00 FEET FROM CENTERLINE); THENCE, ALONG SAID RIGHT OF WAY LINE, SOUTH 52°15'00" EAST, 58.73 FEET TO THE MOST NORTHERLY CORNER OF THAT TRACT OF LAND DESCRIBED IN DEED TO THE WATUMALL BROTHERS LTD, DEED REF #96-73018, RECORDED MAY 16, 1996, MULTNOMAH COUNTY DEED RECORDS; THENCE, ALONG THE NORTH-WESTERLY LINE THEREOF, SOUTH 37°45'00" WEST, 311.76 FEET TO THE WESTERLY CORNER THEREOF; THENCE SOUTH 07°15'00" EAST, 106.07 FEET TO THE POINT OF BEGINNING, CONTAINING 0.586 ACRES MORE OR LESS.

THE BEARINGS IN THIS DESCRIPTION ARE BASED UPON MULTNOMAH COUNTY SURVEYORS MAP No. 44267.



NOTES:

THE PURPOSE OF THIS MAP IS TO SHOW THE
OUTBOUNDS OF THE NATURAL RESOURCE
ENHANCEMENT - MITIGATION EASEMENT AREA

NOT ALL PROPERTY LINES HAVE BEEN FIELD
VERIFIED BY A SURVEY.

THE BACKGROUND IS FOR REFERENCE ONLY

[illegible]

EXHIBIT D1

NATURAL RESOURCES/ENHANCEMENT MITIGATION EASEMENT LEGAL DESCRIPTION

A TRACT OF LAND SITUATED IN THE SOUTHEAST ONE-QUARTER OF SECTION 17, TOWNSHIP 1 NORTH, RANGE 1 EAST, WILLAMETTE MERIDIAN, CITY OF PORTLAND, MULTNOMAH COUNTY, OREGON BEING FURTHER DESCRIBED AS FOLLOWS:

COMMENCING AT THE SOUTHEAST CORNER OF SAID SECTION 17; THENCE, ALONG THE SOUTHERLY LINE OF SAID SECTION 17, SOUTH 89°44'34" WEST, 702.51 FEET TO THE WESTERLY RIGHT OF WAY LINE OF NORTH BASIN AVENUE (40.00 FEET FROM CENTERLINE) AND THE TRUE POINT OF BEGINNING; THENCE, CONTINUING ALONG SAID SECTION LINE, SOUTH 89°44'34" WEST, 139.10 FEET TO A POINT ON THE ORDINARY HIGH WATERLINE (ESTABLISHED AT ELEVATION 17.0 PER THE NATIONAL GEODETICAL VERTICAL DATUM OF 1929/1947 ADJUSTED); THENCE, ALONG SAID ORDINARY HIGH WATERLINE THE FOLLOWING TWENTY-ONE (21) COURSES: 1) NORTH 11°00'19" WEST, 53.49 FEET; 2) THENCE NORTH 46°55'36" WEST, 41.73 FEET; 3) THENCE NORTH 58°27'35" WEST, 157.56 FEET; 4) THENCE NORTH 52°14'35" WEST, 76.41 FEET; 5) THENCE NORTH 49°37'43" WEST, 177.86 FEET; 6) THENCE NORTH 52°17'22" WEST, 127.78 FEET; 7) THENCE NORTH 86°19'35" WEST, 64.81 FEET; 8) THENCE NORTH 47°08'31" WEST, 104.50 FEET; 9) THENCE NORTH 55°17'16" WEST, 35.26 FEET; 10) THENCE NORTH 40°06'12" WEST, 51.37 FEET; 11) THENCE NORTH 49°38'18" WEST, 167.99 FEET; 12) THENCE NORTH 61°02'16" WEST, 39.12 FEET; 13) THENCE NORTH 16°32'12" EAST, 14.39 FEET; 14) THENCE NORTH 16°17'22" WEST, 13.20 FEET; 15) THENCE NORTH 38°58'32" WEST, 24.02 FEET; 16) NORTH 46°06'38" WEST, 150.01 FEET; 17) THENCE NORTH 38°24'16" WEST, 27.13 FEET; 18) THENCE NORTH 64°40'04" WEST, 68.63 FEET; 19) THENCE NORTH 43°56'49" WEST, 25.07 FEET; 20) THENCE NORTH 55°43'59" WEST, 114.59 FEET; 21) THENCE NORTH 58°36'34" WEST, 103.21 FEET TO THE SOUTHEASTERLY LINE OF THAT TRACT OF LAND DESCRIBED IN DEED TO ATC LEASING COMPANY LLC, RECORDED SEPTEMBER 30, 1999, IN DEED FEE NUMBER 99183626; THENCE, DEPARTING SAID ORDINARY HIGH WATERLINE AND RUNNING ALONG THE SOUTHEASTERLY LINE OF SAID ATC TRACT, NORTH 37°45'00" EAST, 67.74 FEET; THENCE SOUTH 52°11'09" EAST, 202.65 FEET; THENCE SOUTH 01°54'35" EAST, 9.18 FEET; THENCE SOUTH 51°42'37" EAST, 26.61 FEET; THENCE NORTH 76°22'01" EAST, 9.47 FEET; THENCE SOUTH 52°13'30" EAST, 392.90 FEET; THENCE SOUTH 02°24'35" WEST, 30.01 FEET; THENCE SOUTH 46°38'21" EAST, 26.46 FEET; THENCE SOUTH 68°44'13" EAST, 45.25 FEET; THENCE SOUTH 44°17'36" EAST, 9.09 FEET TO THE WESTERLY CORNER OF THAT TRACT OF LAND DESCRIBED IN DEED TO WATUMULL PROPERTIES, CORPORATION, RECORDED NOVEMBER 10, 1993 IN DEED BOOK 2781, PAGE 4035, MULTNOMAH COUNTY DEED

RECORDS; THENCE, DEPARTING SAID WATUMULL TRACT, SOUTH 37°45'00" WEST, 28.24 FEET; THENCE SOUTH 52°15'00" EAST, 140.00 FEET TO A POINT ON THE SOUTHWESTERLY LINE OF SAID WATUMULL TRACT; THENCE, CONTINUING ALONG SAID WATUMULL TRACT, SOUTH 52°15'00" EAST, 60.00 FEET; THENCE NORTH 37°45'00" EAST, 28.24 FEET; THENCE SOUTH 52°16'09" EAST, 773.06 FEET TO THE POINT OF BEGINNING, CONTAINING 2.26 ACRES MORE OR LESS.

TOGETHER WITH:

A TRACT OF LAND SITUATED IN THE SOUTHEAST ONE-QUARTER OF SECTION 17, TOWNSHIP 1 NORTH, RANGE 1 EAST, WILLAMETTE MERIDIAN, CITY OF PORTLAND, MULTNOMAH COUNTY, OREGON BEING FURTHER DESCRIBED AS FOLLOWS:

COMMENCING AT THE SOUTHEAST CORNER OF SAID SECTION 17; THENCE, ALONG THE SOUTHERLY LINE OF SAID SECTION 17, SOUTH 89°44'34" WEST, 702.51 FEET TO THE WESTERLY RIGHT OF WAY LINE OF NORTH BASIN AVENUE (40.00 FEET FROM CENTERLINE); THENCE SOUTH 52°16'09" EAST, 973.06 FEET TO THE WESTERLY CORNER OF THAT TRACT OF LAND DESCRIBED IN DEED TO WATUMULL PROPERTIES, CORPORATION, RECORDED NOVEMBER 10, 1993 IN DEED BOOK 2781, PAGE 4035, MULTNOMAH COUNTY DEED RECORDS AND THE TRUE POINT OF BEGINNING; THENCE, ALONG THE NORTHEASTERLY LINE OF THE NATURAL RESOURCES ENHANCEMENT – MITIGATION EASEMENT, NORTH 44°17'36" WEST, 9.09 FEET; THENCE NORTH 68°44'13" WEST, 45.25 FEET; THENCE NORTH 46°38'21" WEST, 26.46 FEET; THENCE NORTH 02°24'35" EAST, 30.01 FEET; THENCE NORTH 52°13'30" WEST, 38.19 FEET; THENCE, DEPARTING SAID NATURAL RESOURCES LINE, NORTH 37°50'05" EAST, 371.26 FEET TO THE WESTERLY RIGHT OF WAY LINE OF NORTH BASIN AVENUE (40.00 FEET FROM CENTERLINE); THENCE, ALONG SAID RIGHT OF WAY LINE, SOUTH 52°15'00" EAST, 58.73 FEET TO THE MOST NORTHERLY CORNER OF THAT TRACT OF LAND DESCRIBED IN DEED TO THE WATUMULL BROTHERS Ltd, DEED FEE #96-73916, RECORDED MAY 16, 1996, MULTNOMAH COUNTY DEED RECORDS; THENCE, ALONG THE NORTHWESTERLY LINE THEREOF, SOUTH 37°45'00" WEST, 311.76 FEET TO THE WESTERLY CORNER THEREOF; THENCE SOUTH 07°15'00" EAST, 106.07 FEET TO THE POINT OF BEGINNING, CONTAINING 0.585 ACRES MORE OR LESS.

THE BEARINGS IN THIS DESCRIPTION ARE BASED UPON MULTNOMAH COUNTY SURVEYOR'S MAP No. 44857.

Exhibit E

Swan Island Industrial Park

Standards For Development

Adopted by:
Port of Portland Commission
April 13, 1970

Performance Standards
Revised July, 1976

Revised April, 1994

These Standards for development replace and
supercede those Swan Island Industrial Park
Standards for Development Recorded on
September 24, 1976 in Book 1128, Page 2249,
Multnomah County Records

SWAN ISLAND INDUSTRIAL PARK

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PART XI	ENFORCEMENT OF STANDARDS
	APPENDIX

PART I

INTRODUCTION

The Standards for Development have been prepared in order to provide control and guidance of development at The Port of Portland's Swan Island Industrial Park. The implementation of these standards will improve the working efficiency and visual amenities of the developable areas while providing latitude and flexibility to serve a wide range of commercial and industrial users. The Port intends to attract commercial and industrial users through reasonable standards and not to impose undue hardships to location of industrial and commercial activities. The standards will provide protection from undesirable development and will enhance property values. The Port considers these standards to be minimum, assuming firms locating at its facilities will wish to do the finest possible job in their own self-interest.

In recognition of the need to respond in a flexible manner over a number of years while developing the Swan Island Industrial Park, the standards have been kept general in content. The Port will rely on a plan review procedure to ensure the intent of the standards is met.

The development of sites at the Swan Island Industrial Park shall conform to the standards of The Port of Portland and other appropriate governing bodies such as Multnomah County, the City of Portland, and the State of Oregon.

PART II

STATEMENT OF PURPOSE

The Standards for Development at the Swan Island Industrial Park accomplish the following purposes:

Outline the level of excellence the Port expects in the development of the Swan Island Industrial Park's lands.

Maximize the potential of each site at the Swan Island Industrial Park while minimizing natural environmental losses.

Structure development at the Swan Island Industrial Park towards a high quality continuity, while allowing freedom for innovation and creativity by each individual tenant, thus protecting the investment of tenants and the Port.

Insure compliance with appropriate Federal, state and local codes, ordinances and directives.

Outline the required levels of maintenance, performance and operation which will maintain a high quality development over time.

Insure the maximum convenience, safety and identity for each tenant plus creation of a pleasant area for people to work and relax.

PART III

DEFINITION OF TERMS

PORT OF PORTLAND COMMISSION

The governing nine-person board, appointed by the Governor of Oregon, establishes and controls the policies and activities of The Port of Portland.

DEVELOPMENT STANDARDS

Guidelines for the development of individual sites in a manner which will enhance the working efficiency and visual amenities of the total area, while providing latitude and flexibility for the individual developer.

PERFORMANCE STANDARDS

Guidelines which are provided in order to avoid the creation of nuisance or unsanitary conditions within Port-developed area.

MAINTENANCE STANDARDS

Guidelines which are provided to outline the required level of upkeep and repair for structures and the surrounding property.

TENANT

Individuals and organizations which have either leased or purchased property which is subject to regulation or control by The Port of Portland.

PROPERTY LINE

The boundary which describes the extent of a particular parcel of land as described in the leasing document or deed. The term "property line" shall be used interchangeably with the term "Lease line."

BUILDING SETBACK LINE

A line beyond which a building cannot be constructed. The building setback line is referenced by and measured from the property line.

PRELIMINARY PLAN

Plans submitted to The Port of Portland for initial approval prior to detailed planning and design. Included are a site use plan, basic floor plans, elevations and sections plus a rendering of all proposed improvements.

FINAL PLANS

Final plans are defined as those which have been approved by the proper local jurisdiction for a building permit. They shall include complete architectural and engineering working drawings, specifications, landscape development plans, sign plans and a construction schedule.

COMMERCIAL

Land for use to serve the public such as retail merchandising, offices, housing and service outlets intended for the ultimate consumer.

INDUSTRIAL

Land for use to serve industry such as warehousing and manufacturing not intended to serve the ultimate consumer.

PERMANENT-TYPE CONSTRUCTION

Structures or ground facilities constructed with the intent of providing service over the length of the lease agreement, with use of materials and methods of construction which under normal conditions of use will maintain their appearance and functionality. Trailers, mobile offices and other similar temporary structures are not considered as permanent-type construction.

- D. Identification sign plans - Provide sufficient illustration to include size, type of material, color, language and location of all signs.
- E. Construction schedule.

NOTICE TO PROCEED TO OBTAIN A BUILDING PERMIT

The Port will issue a Notice to Proceed only after execution of the Warranty Deed or delivery of the lease document and approval of final plans and specifications.

FUTURE REMODELING AND ADDITIONS

Plans shall be submitted to The Port for any construction, remodeling, alterations, or additions undertaken. Approval by The Port shall not relieve the lessee of his/her obligation to obtain the necessary permits for alteration or construction.

PART V

PLAN REVIEW POLICY

The Port of Portland will review all plans submitted in order to insure conformance with the Port's Standards for Development. The Port will accept or reject the proposed plans based upon its review of the intent of the Standards, the available facts regarding the particular project, and the best interests of all concerned property owners. The review process will consider the unique aspects of each of the tenants requirements. The review process is also designed to assist individual tenants in following the proper procedures in order to avoid delay or inconveniences in the execution of plans.

As outlined in the "Submittal of Plans" section, The Port will review both the preliminary and final plans. The review of plans will consider two distinct areas:

A review of conformance to the sections of the standards which outline detailed requirements such as setbacks, height restrictions and other specific numerical requirements.

A review of subjective design elements such as buildings, site layout, and landscaping will be carried out to insure compliance with the intent of The Port to provide a quality development. Design will be reviewed with respect to compatibility to the surrounding development, use of indigenous materials, and functional efficiency.

PART VI

VARIANCE REQUESTS

The Port recognizes that situations do arise which may warrant exception to the standards as published herein. A written request shall be submitted to The Port's Property Management Representative stating the variance requested and the applicable section of the standards.

The Port will evaluate the merits of each request on an individual basis.

PART VII

INSPECTION OF FACILITIES

The Port of Portland will conduct inspections of the site during the construction period to determine conformance with the approved final plans. Changes made after the Notice to Proceed is Issued, which affect the approved plans shall be submitted to The Port for prior approval.

PART VIII

DEVELOPMENT STANDARDS

SWAN ISLAND INDUSTRIAL PARK

I. LAND USE ZONING

- A. All portions of the Industrial Park are within the City of Portland M-2, General Manufacturing Zone. Therefore, all uses prohibited in that zoning classification shall likewise be prohibited in this Industrial Park.
- B. No noxious or offensive trade, business or activity shall be conducted within the Industrial Park, nor shall anything be done therein which may be or become a nuisance to the Industrial Park.
- C. The Industrial Park shall not be used for any race tracks of any kind; maintenance, use or operation of any slaughter house; junk, rags, paper or metal salvage, storage, processing or treatment; wrecking and salvage yard for building materials; or amusement park.
- D. No retail use unless specifically approved by The Port of Portland.

II. Buildings

A. Design

All buildings shall be designed by an architect or engineer registered in the State of Oregon. Contemporary architectural styles are strongly encouraged. "Period Building" architectural elements will be critically reviewed.

B. Setbacks

1. Front Yard

No buildings will be constructed within 50 feet of the front property line.

2. Side and Rear Yards

The side yard setback shall be a minimum of 25 feet. The rear yard setback shall be a minimum of 10 feet.

3. Setback Reduction

The front yard setback may be reduced to a minimum of 25 feet, provided that the portion of the building closer than the 50-foot line shall make a

positive contribution to the overall design. The Port will be the sole judge of such design, but will, in general, consider office structures, outdoor court areas, and other particularly attractive portions of the main structure as eligible for the modified setback.

4. Railroads

- (a) The front yard setback lying between that portion of the building served by a railroad and the property line adjacent to a railroad lead track may be reduced to 27 feet.
- (b) When a railroad right-of-way is adjacent to the rear property line, the building or any part thereof shall be no closer than 14½ feet from the nearest right-of-way line. The 14½ foot strip is to be permanently reserved as a continuous easement along the railroad right-of-way for use by any company requiring railroad spur service.
- (c) The front, rear and side yard setbacks shall be increased when it is necessary to allow space for more than one railroad spur.

5. Corner Lots

All yard areas adjacent to streets shall be designated front yards.

6. Small Lots

In the case of lots one acre or less with more than 150 feet of frontage, the front setback may be reduced to 25 feet.

C. Heights and Lot Coverage

The maximum height of any structure shall be 45 feet. Building height or any portion thereof within the 50-foot setback area shall not exceed twenty (20) feet.

Exceptions to the above height restrictions such as utility structures, tower, etc., will be reviewed by The Port on an individual basis.

The maximum area that may be covered by the principal building, accessory buildings and future additions to either shall not exceed fifty (50) percent of the total area of the lot, or forty (40) percent for buildings over two stories.

D. Building Materials**a. GENERAL**

Tenants are encouraged to use materials that compliment structures in the immediate vicinity. Materials that may be used are concrete, exposed, aggregate concrete, glass, brick, tile, natural stone, concrete block, wood, and metal subject to the criteria outlined in d below. Material samples may be required to be submitted for review. The type, style, and color of all exterior materials shall be submitted to the Port for approval. Earth and water tone colors shall be required to meet Willamette Greenway standards.

b. EXTERIOR AND DETAILS

- (1) All exterior surfaces shall have a finished treatment. The use of two or more colors is strongly encouraged to enhance the building exterior and to create design accents. Building and architectural details (including flashing and down spouts) shall have a color that complements or accents the main building.
- (2) The use of fascias, canopies, and other multi-dimensional exterior features should be in proportion to the wall heights and building mass. The framing for overhangs shall be concealed by the use of sophist or other architectural treatment.
- (3) Building walls exceeding 300 feet in overall length shall have the facade staggered a minimum depth of 24" at least once every 300 feet in order to relieve the visual monotony and scale of a large mass.

c. **BUILDING TYPE**

All buildings shall be of permanent-type construction. Trailers, mobile offices, and other temporary structures will not be allowed except for use during construction.

d. **METAL-CLAD BUILDINGS**

All proposed metal-clad buildings or metal building features receive special scrutiny by the Port to ensure that both structural and aesthetic standards are met. The intent of the review is to promote projects which are compatible with existing development in Port Center, and projects which will present and maintain an attractive appearance through time.

(1) **REVIEW PROCEDURES**

Plans for all metal-clad buildings shall be reviewed and approved by the Port prior to fabrication. The building design, material, and finishing specifications and a sample of the exterior metal surfacing shall be submitted to the Port at the time of preliminary plan review.

(2) **GUIDELINES FOR METAL-CLAD BUILDINGS**

- (a) Metal building systems of stock design are not compatible with Port Center development and shall not be permitted.
- (b) In terms of facade design, metal shall not be used as the primary architectural element but only as an accent in conjunction with glass, wood, concrete, and/or masonry.
- (c) Appropriate materials for exterior metal paneling shall be anodized or factory finished aluminum, weathering steel, and galvanized or otherwise coated steel. All galvanized or otherwise coated steel shall have a factory-applied baked paint finish. An unpainted galvanized finish shall not be permitted.
- (d) The baked paint finish shall be resistant to chalking, fading, and film failure. Weathering steel will be allowed to develop its natural oxide coloring. No exterior finish with a potential to cause glare will be permitted.
- (e) Ribbed wall panels shall have an architecturally pleasing profile. Panels with a corrugated, crimped, or any ribbed pattern presenting an agricultural or military appearance shall not be permitted.

- (f) All sheet metal paneling shall be of sufficient gauge and quality to provide a rigid exterior surface.
- (g) All structural supports shall be concealed. Only interior fasteners shall be permitted.
- (h) A parapet, fascia, or comparable architectural detail shall be provided to screen pitched roofs, roof-mounted utilities, and varying roof lines.

E. ROOF TREATMENT

The Port shall approve the color and location of all exposed utilities, towers, conveyors, antennas, vents, processing equipment, and any other roof-mounted objects which rise above the roof line. All such exposed equipment shall be completely screened from view. The roof shall be designed to present an attractive appearance from the street, river, and Mocks Crest. Sound absorbing insulation materials shall be used in all exterior ducts.

F. SITE LAYOUT

Placement of structures on sites shall be carried out in such a manner as to maximize the potential of the individual sites. Provisions shall be made for circulation within the site and the access of emergency vehicles.

III. Parking

A. Setbacks

1. Front Yard

There shall be no parking facility closer than 15 feet to the front yard property line.

2. Side Yard

No parking facilities shall be closer than five feet to the side property lines.

B. On-Street Parking

No on-street parking will be permitted.

C. Parking Space Requirements

One parking space will be provided for each three employees on the major and next largest shift or two spaces for each three employees on the major

shift, whichever is larger. This requirement can be submitted to The Port for review if other modes of transportation are made available to the employees.

D. Parking Lot Layout

The design and layout of all parking lots shall conform with the requirements of the appropriate local ordinances. The basic requirements for layout of a parking lot shall be as follows:

1. Size
 - (a) Minimum size of lot will be 1,000 square feet.
 - (b) Maximum size - Large parking areas shall be divided into sections containing not more than 60 parking spaces each and divided by five (5) foot landscaped divider strips.
2. Aisle width shall be no less than 25 feet for 90 degree parking, 20 feet for 60 degree and 45 degree parking, and 12 feet for parallel parking.
3. Minimum size for individual parking spaces will be 8½ by 20 feet for employees parking in industrial area, 9½ by 20 feet for visitor parking, and 9½ by 23 feet for parallel parking. All spaces will have a minimum of six feet six inches of vertical clearance.

E. Screening

A three-foot high screen shall be maintained to screen all parking from the front property line. Adequate screening shall be interpreted as either natural or architectural material which obscures the line of sight from the street. The parking screening requirement may be combined with the regular setback landscaping requirements. The adequacy of the screening will be determined by The Port.

F. Surfacing

All parking areas shall be paved with a dust-free all weather surface, such as asphaltic paving, be graded and drained to provide for the disposal of all surface water on the site, and of a strength adequate for the traffic expected. All parking stalls and direction of traffic shall be clearly marked on the paved surface.

IV. Loading

A. Setbacks

Rail and truck loading operations shall be permitted in the rear or sides of the buildings, but shall not occur within the side or rear yard setbacks. Loading in the front yard will not be allowed closer than 25 feet from the front property line.

B. Screening

A sight-obscuring screen shall be provided on the front street side of all loading areas. The adequacy of this screening will be determined by The Port.

C. On-Street Loading

No on-street loading or maneuvering will be permitted.

V. Storage

A. Setback

When a railroad right-of-way is adjacent to the rear property line, permanently placed storage shall be no closer than 14 ½ foot strip is to be permanently reserved as an easement for railroad spur service.

B. Flammables

The storage and handling of flammable liquids shall comply with these standards and the rules and standards of the Oregon State Fire Marshall's Office, the Interstate Commerce Commission, and the standards enforced by the appropriate local jurisdiction. No above-ground storage of petroleum products will be allowed unless properly protected.

C. Screening

A sight-obscuring screen shall be provided for all storage areas. The adequacy of this screening will be determined by The Port.

VI. Utilities

A. Location

All utilities shall be brought into the site and to the buildings underground. Pad-mounted electrical transformers shall be located and screened so as to prevent viewing from any public street. Permits shall be obtained for all utilities crossing Port property.

B. Easements

Permits for easements shall be obtained for all utilities crossing Port property, including sanitary sewer, storm sewer, water, gas, electricity and telephone from The Port of Portland. Conditions for such permits shall provide that:

1. Any interruption in the service of a Port facility such as a railroad track during the construction of utilities shall be coordinated with The Port.
2. Any required removal and replacement of Port trackage in connection with the construction of utilities shall be by a Port-approved contractor and shall be in conformance with Port specifications.
3. Backfilling, compaction and surface finish in Port-owned property shall be in conformance with the applicable Port specification.
4. As-built drawings of the underground utilities within the easement area shall be furnished to the Port after completion of installation.
5. The company agrees to indemnify The Port, its Commissioners, agents and employees from any and all claims and damages which may arise directly or indirectly from the use of the easement area.

VII. Signs

- A. All signs are subject to Port approval prior to installation.
- B. No flashing or rotating signs will be permitted.
- C. Buildings Signs

Signs on roofs, fences, or painted on exterior faces of buildings are prohibited. One sign is permitted to be placed upon the outside wall of the building, for each street frontage on a single tenant building. Signs shall not extend above the eaves or parapet of that wall and shall not exceed in size five percent of the wall it is placed on. Signs shall not be placed or externally illuminated in a manner which is detrimental to neighboring occupancies or to the safe movement of ground traffic. Sign colors and details shall be submitted to The Port for approval prior to installation.

- D. Free-Standing Signs

No free-standing advertising signs or billboards will be permitted except a single identification sign approved by The Port. Details of any free-standing sign shall be submitted to The Port. The sign shall conform to the

appropriate jurisdictions ordinance or code and in general shall not exceed four feet in height or 16 square feet in surface area.

VIII. Access

A. Setbacks

Curb cuts providing access to and from the site shall be a minimum of 20 feet from the adjacent property lines and/or ten feet from the curb radius for corner lots.

B. Distance Apart

All curb cuts shall be at least 100 feet apart, measuring from the center line of each curb cut. There shall be no more than two curb cuts to the site from any one street. Additional curb cuts for corner lots will be subject to approval by The Port. Additional access for sites with excess of 500 feet of street frontage will be considered on a case-by-case basis.

C. Driveway Widths

There shall be an unobstructed driveway not less than twelve (12) feet in width for one-way traffic, and not less than twenty-four (24) feet in width for two-way traffic. The maximum curb cut for one driveway shall be 50 feet. The direction of traffic flow shall be clearly marked on the paved surface. The edge of a driveway shall be a minimum of ten feet from the nearest adjacent property line. There shall be no more than two driveways to the site from any one street.

D. Rail Spurs

1. Engineering Specifications

All rail access shall be constructed according to proper engineering specifications and subject to Port approval. A standard No. 9 turnout and a maximum curvature of 16 degrees is recommended for all spur tracks.

2. Location

- (a) Easements will not be required for a railroad switch and turnout from a Port lead track; however, all plans for proposed turnouts are subject to Port approval prior to construction.
- (b) The cross-over connecting the user's spur to the main tracks shall be confined, if possible, to within the site and shall meet the requirements of the servicing railroad company.

- (c) Except in areas where railroad lead tracks are parallel to the street and located in front of a building, loading from railroad spur trackage is not permitted on any street front and must be confined to the side or rear of the building. All spurs permitted between the building and street shall be screened by landscaping or by other means approved by The Port.
- (d) The cost of materials and the installation of the switch, turnout and any alterations required to The Port's lead track shall be borne by the owner. All trackage constructed within The Port's right-of-way shall (i) be constructed by a Port-approved contractor, (ii) be in conformance with Port specifications, and (iii) be transferred to The Port by a bill of sale at no cost to The Port. The Port will maintain at its own expense the lead track, switches and spur tracks within The Port's right-of-way. However, the expense of relaying the spur rails, replacement of switches, and replacement of switch and spur rail ties within The Port's right-of-way shall be borne by the owner.

IX. Landscape

- A. The following landscape requirements are intended for the enhancement of individual tenants sites at The Port's Swan Island Industrial Park to ensure an attractive setting and increased land value. Planting and irrigation plans shall be submitted for approval by The Port. Planting and irrigation plans shall be stamped by a landscape architect registered in the State of Oregon. The design of all landscape will be evaluated by The Port for its compatibility with surrounding design, compatibility to the local environment and extend to which it satisfied screening requirements.
- B. Front Setbacks
 - 1. The minimum landscaping shall be an area equal to that of 100 percent of the standard 50-foot and 25 foot setback areas.

- C. Side Setbacks

An area 100 feet deep and ten feet wide on both sides of the property shall be landscaped. This landscape shall be designed to separate the properties and to screen the loading, parking and storage from the adjacent property.

- D. Parking

All parking areas designed to accommodate more than 21 cars shall have a minimum of three percent of the surfaced area landscaped. This landscape may include the stripes used to divide the parking lot into sections of not

more than 60 cars each, but shall not include landscaping required in the front and side yard setbacks.

E. Landscaping and Screening

Reference is made in the standards to areas that must be screened or landscaped. Landscape material or architectural screens shall be used where required to conceal from public view those areas used for parking, storage and loading. The effectiveness of the screening will be evaluated by The Port.

F. Undeveloped Areas

All undeveloped areas not otherwise landscaped shall be seeded and maintained at an average height not to exceed six inches.

G. Size

All landscape material shall be of sufficient initial size to provide the required degree of screening within three years after installation.

X. Area Lighting

Lighting shall be designed to enhance the overall character of Port Center and shall promote safety, security, and efficiency throughout the site.

1. GENERAL REQUIREMENTS

- a. On-site lighting shall contribute to the safety and site security.
- b. Lighting levels, colors, and fixture types shall be consistent throughout the site and shall complement the architecture and landscaping.
- c. The use of high-pressure sodium lamps is recommended, except as noted below.
- d. All lighting shall use cut-off fixtures. No lighting shall cast glare onto adjacent parking lots, buildings, and streets.
- e. Wooden light poles shall not be permitted.
- f. All light levels are to be considered "Average Maintained" utilizing factory certified maintenance factors.

PART IX

PERFORMANCE STANDARDS

The following performance standards shall apply to all tenants at The Port of Portland's Swan Island Industrial Park, the intent of these standards is to avoid creation of nuisance or unsanitary conditions within Port-developed aviation facilities.

A. Property Use

The buildings and other facilities erected on the site and the uses to which the site is put, shall comply with the laws, statutes, regulations, ordinances, and rulings of the State of Oregon and other governing agencies having jurisdiction. The buildings and other facilities comprising the development shall comply with the site use plan as approved by The Port of Portland. Any subsequent changes in use will be subject to the approval of The Port.

B. Air Pollution

1. Smoke

The emission of smoke from any chimney, stack, vent, opening or combustion process shall not be permitted, conforming to the measurement of Ringelmann zero.

2. Open Burning

No open burning will be permitted.

3. Odors

The emission of offensive odors in such quantities as to be readily detectable at any point beyond the property line is prohibited. Noxious, toxic and corrosive gas emissions shall be treated by full control techniques.

4. Particulate Matter

The rate of emission of particulate matter from all sources within the property line of a lot shall not exceed a net figure of 30 grams per acre of lot area during any one hour.

All measurements of air pollution shall be by the procedures and with the equipment approved by the Columbia-Willamette Air Pollution Authority and the State Department of Environmental Quality or equivalent. Persons responsible for a suspected source of air pollution, upon the request of The Port, shall provide quantitative and qualitative information regarding the discharge that will

adequately and accurately describe operation conditions. Any activity desiring to locate on Port property which is suspected of having potential air pollution problems shall be prepared to have its plans and specifications reviewed by the Columbia-Willamette Air Pollution Authority and the State Department of Environmental Quality prior to final approval of the plans by The Port of Portland.

C. Noise

The noise standard specifies the permissible sound pressure level in eight-octave bands. It is intended that in no single octave band shall the specified level be exceeded at any property line of the noise source. The purpose for such a noise standard is to discourage disturbing sounds produced for extended time periods.

<u>Octave Band</u> <u>Frequency in Cycles</u> <u>Per Second</u>	<u>Maximum Permitted Sound</u> <u>Level in Decibels</u>
20 to 75	74
75 to 150	66
150 to 300	59
300 to 600	55
600 to 1,200	53
1,200 to 2,400	53
2,400 to 4,800	52
4,800 to above	51

Such sound levels shall be measured with instrumentation conforming to the latest revision of standards set forth by the American Standards Association:

Sound Level Meter	224.3
Octave Band Filter Set	224.10

The instruments shall be calibrated in the field using procedures and calibrating instruments as recommended by the manufacturer of the equipment used. Noise making devices are excluded in these standards and noise created by highway vehicles, trains or aircraft is also excluded.

D. Vibration

No vibration which is discernible without instruments other than that caused by highway vehicles, trains, or aircraft shall be permitted beyond the property line of the use concerned.

E. Heat and Glare

All operations producing heat or glare, including exterior lighting, shall be conducted so that they do not create a nuisance beyond the property line of the site. All exterior lighting schemes shall be submitted to The Port to ensure that no conflict occurs with the airport's lighting and navigation equipment.

F. Waste Material

All materials, including wastes, shall be stored and all properties maintained in a manner which will not attract or aid the propagation of insects or rodents or in any way create a health hazard.

G. Water Pollution

No liquid waste disposal will be allowed on the site or into adjacent drainage ditches, sloughs or other waterways. The discharge of treated or untreated sewage or wastes into the sanitary sewer systems shall conform to the codes and ordinances of the appropriate local jurisdiction.

H. Handling of Dangerous Materials

The storage, handling and use of dangerous materials such as flammable liquids, incinerary devices, compressed gasses, corrosive materials and explosives shall be in accordance with the regulation and codes of the appropriate local jurisdictions, the State Fire Marshall, the National Fire Protection Association.

I. Insects and Rodents

All materials including wastes shall be stored and all grounds shall be maintained in a manner which will not attract or aid the propagation of insects or rodents or create a hazard.

J. Prohibited Uses

1. All portions of the Industrial Park are within the City of Portland M-2, General Manufacturing Zone. Therefore, all uses prohibited in that zoning classification shall likewise be prohibited in this Industrial Park.
2. No noxious or offensive trade, business or activity shall be conducted within the Industrial Park, nor shall anything be done therein which may be or become a nuisance to the Industrial Park.

PART X

MAINTENANCE STANDARDS

The maintenance standards are designed to outline the required level of upkeep and repair for structures and the surrounding property. It is the intent of the maintenance standards to ensure that tenants maintain the property in an aesthetically pleasing manner in accordance with final approved plans.

A. Buildings

Exterior walls which have been painted or otherwise chemically treated shall not be allowed to become cracked, chipped, faded, or in any way seriously deteriorated. Materials that have been stained or otherwise treated to age naturally shall be allowed to do so. Broken windows, doors or other exterior members of structures shall be replaced promptly. Structures which are not in use shall be maintained as buildings in use or be removed from the premises.

B. Landscaped Areas

All plants will be maintained in a healthy, disease-free condition. Water and fertilizer shall be applied as necessary to maintain their normal color and rate of growth. Weak or broken branches shall be removed by pruning. Old flowers, seed pods, dead foliage and leaves shall not be allowed to accumulate. Plant beds shall be maintained in a weed and litter-free condition.

All landscape features shall be maintained in an attractive, effective manner at all times. Pools and fountains shall be kept full and in an operating condition. Flag poles shall be painted and flags flown at appropriate times. Sculpture or other types of art work shall be maintained in an operating condition.

Fencing and other architectural screens shall have damaged, broken or rotten members repaired or replaced. Materials that have paint or other chemical treatment subject to weathering shall not be allowed to become cracked, chipped, faded or in any way seriously deteriorated. Materials that have been stained or otherwise chemically treated to age naturally shall be allowed to do so.

C. Paved Areas

Paved areas such as truck loading or auto parking and driveways shall be checked to see that they are not broken, cracked, settled or otherwise in

need of repair. Dirt and litter shall not be allowed to accumulate on paved surfaces. Grass, weeds and other plant materials that grow through the joints, cracks, etc., shall be removed. Areas covered with soft paving such as gravel, bark dust or wood chips shall be maintained in a weed-free condition and shall be kept reasonably smooth and litter free. All markings painted on paved surfaces shall be maintained in such a manner that they are clearly visible.

D. Signing

Signs shall not be allowed to become faded or deteriorated. Lighting for signs, whether internal or external, shall be maintained with burned out fixtures being replaced promptly. Signs which are no longer appropriate due to a change of service, product line or the tenant, shall be removed.

E. Lighting

All exterior lighting, whether for area lighting or architectural highlighting, shall be maintained at its designed level of illumination. Broken or burned out members shall be replaced promptly.

PART XI

ENFORCEMENT OF STANDARDS

LEASES

The Port, at its option, may treat any failure to repair or correct conditions which have caused the premises or facilities to fall below the requirements of Parts VIII, IX, or X of these standards for development as a default, or The Port in the alternative may proceed as follows:

If within thirty (30) days of written notice to the tenant, tenant has not begun to repair or correct the deficiencies stated in the notice, The Port may enter into a contract for the repair or correction of such deficiencies, and the tenant agrees to reimburse The Port for the reasonable costs of such repairs or corrections as determined by the contract amount plus ten percent (10%) for The Port's administrative expenses. Reimbursable amounts shall be deemed additional rent, and failure to pay such amounts within ten (10) days of invoice shall be deemed a default for failure to pay rent.

The Port reserves the right for itself or designees to enter upon the premises for the purpose of repairing or correcting deficiencies.

SALES

The Port may enter upon the land sold and perform the required maintenance in the event it is not performed by the Buyer and the cost of performing such maintenance shall be paid by the Buyer.

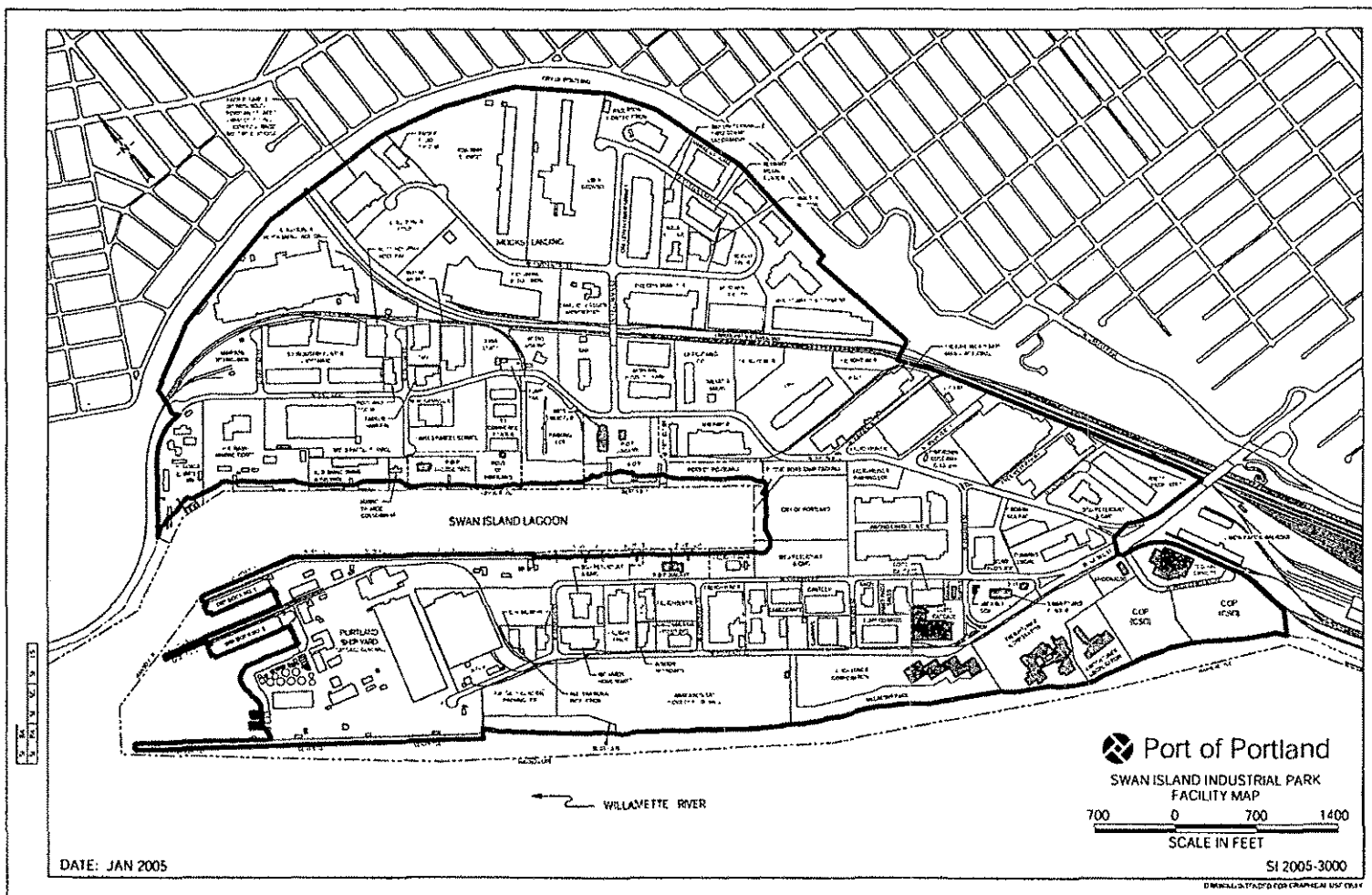


Exhibit F

Exhibit "MM"

After Recording, Return To:

Watumull Properties
Attn: JD Watumull
307 Levers Street, #600
Honolulu, HI 96815

Send Tax Statements To:

No changes

Recorded in MULTNOMAH COUNTY, OREGON
C. Swick, Deputy Clerk

A43 3

ATMCS

Total : 31.00

2006-010008 01/18/2006 02:23:04pm

QUITCLAIM DEED

North Basin Watumull LLC, an Oregon Limited Liability Company, GRANTOR, for the consideration hereinafter stated, releases and quitclaims to North Basin Watumull LLC, an Oregon Limited Liability Company, GRANTEE, all right, title, and interest, in and to all lands described on the attached Exhibit A.

The true consideration of this conveyance is \$0 but consists of other property or value given or promised, which is the whole consideration. This deed is given in connection with a property line adjustment involving the property described in attached Exhibit A.

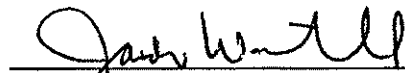
THIS INSTRUMENT WILL NOT ALLOW USE OF THE PROPERTY DESCRIBED IN THIS INSTRUMENT IN VIOLATION OF APPLICABLE LAND USE LAWS AND REGULATIONS. BEFORE SIGNING OR ACCEPTING THIS INSTRUMENT, THE PERSON ACQUIRING FEE TITLE TO THE PROPERTY SHOULD CHECK WITH THE APPROPRIATE CITY OR COUNTY PLANNING DEPARTMENT TO VERIFY APPROVED USES AND TO DETERMINE ANY LIMITS ON LAWSUITS AGAINST FARMING OR FOREST PRACTICES AS DEFINED IN ORS 30.930.

Executed and delivered on this 13th day of October, 2005.

GRANTOR:

NORTH BASIN WATUMULL LLC, an Oregon Limited Liability Company

By: WATUMULL PROPERTIES CORP., a Hawaii corporation, its Member



By: Jaydev Watumull, Vice-President

mg

Acknowledgment of Grantor

STATE OF Hawaii)
City of Honolulu) ss.
County of Honolulu)

This instrument was acknowledged before me on Oct. 13, 2005, by
Jaidev Watumull, Vice-President of Watumull Properties Corp., as Member of North Basin
Watumull LLC.

LS



MARGO CORLISS
Notary Public of State of HI
My Commission expires: 03/30/2009

EXHIBIT A

A tract of land located in the Southeast $\frac{1}{4}$ of Section 17, Township 1 North, Range 1 East, Willamette Meridian, City of Portland, Multnomah County, Oregon being more particularly described as follows:

Commencing at a brass screw located at the most easterly corner of Parcel 1 of Partition Plat 1995-139, Plat Records of Multnomah County, Oregon, said point being on the southwesterly right-of-way line of N. Basin Avenue; thence along the northeasterly line of said Parcel 1 and said southwesterly right-of-way line North $52^{\circ}16'54''$ West a distance of 605.12 feet to a $\frac{5}{8}$ inch iron rod located on the southerly line of said Southeast $\frac{1}{4}$; thence along said southerly line North $89^{\circ}43'55''$ East a distance of 24.11 feet to a $\frac{5}{8}$ inch iron rod located on said southwesterly right-of-way line and the Point of Beginning;

Thence along said southwesterly right-of-way line 132.85 feet along the arc of a non-tangent circular curve to the right, said curve having a radius of 240.00 feet, a central angle $31^{\circ}42'52''$, a chord bearing of North $16^{\circ}10'15''$ West and a chord length of 131.16 feet to a point; thence continuing along said southwesterly right-of-way line North $00^{\circ}18'48''$ West a distance of 314.69 feet to a point; thence 145.03 feet along the arc of a circular curve to the left, said curve having a radius of 160.00 feet, a central angle of $51^{\circ}56'11''$, a chord bearing of North $26^{\circ}16'54''$ West and a chord length of 140.12 feet to a point; thence continuing along said southwesterly right-of-way line North $52^{\circ}15'00''$ West a distance of 623.01 feet to a $\frac{5}{8}$ inch iron rod; thence departing said southwesterly right-of-way line South $37^{\circ}45'00''$ West a distance of 311.94 feet to a $\frac{5}{8}$ inch iron rod; thence South $07^{\circ}15'00''$ East a distance of 106.07 feet to a $\frac{5}{8}$ inch iron rod; thence South $52^{\circ}17'03''$ East a distance of 140.00 feet to a $\frac{5}{8}$ inch iron rod; thence South $37^{\circ}45'00''$ West a distance of 28.24 feet to a $\frac{5}{8}$ inch iron rod; thence South $52^{\circ}17'03''$ East a distance of 60.00 feet to a $\frac{5}{8}$ inch iron rod; thence North $37^{\circ}45'00''$ East a distance of 28.24 feet to a $\frac{5}{8}$ inch iron rod; thence South $52^{\circ}17'03''$ East a distance of 774.00 feet to the Point of Beginning.

Said described tract of land contains 7.54 acres, more or less.

Exhibit "NN"

After Recording, Return To:

Watumull Properties
Attn: JD Watumull
307 Lewers Street, #600
Honolulu, HI 96815

Send Tax Statements To:

No changes

Recorded in MULTNOMAH COUNTY, OREGON
C. Swick, Deputy Clerk

A43 3

ATMCS

Total : 31.00

2006-010008 01/18/2006 02:23:04pm

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Executed and delivered on this 13th day of October, 2005.

GRANTOR:

NORTH BASIN WATUMULL LLC, an Oregon Limited Liability Company

By: WATUMULL PROPERTIES CORP., a Hawaii corporation, its Member

Jadev Watumull
By: Jadev Watumull, Vice-President

17

Acknowledgment of Grantor

STATE OF Hawaii)
City & Honolulu) ss.
County of Honolulu)

This instrument was acknowledged before me on Oct. 13, 2005, by
Jaidev Watumull, Vice-President of Watumull Properties Corp., as Member of North Basin
Watumull LLC.

LS



MARGO CORLISS
Notary Public of State of HI
My Commission expires: 03/30/2009

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